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OUTLOOK & SITUATION

OUTLOOK

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In This Issue

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Summary

Smaller Fruit Supplies; Stronger Prices Likely

Supplies of fresh noncitrus fruit this fall are expected to be moderately smaller than a year earlier, because U.S. production, including major tree fruits and grapes, may be 13 percent below last year's large crop. Apples are forecast to be 8 percent below last year's record. Grape production will likely decline 20 percent from last year, with California table grapes down 4 percent. Pears will be 5 percent less. The Mediterranean fruit fly infestation in California is not expected to affect this fall's supplies if the spraying successfully confines the problem.

A smaller Florida citrus crop is possible in 1981/82, reflecting tree damage from last January's freeze. So, projected lower supplies of both citrus and noncitrus fruit this fall point to higher farm and retail prices than those a year ago. The first USDA forecast for the 1981/82 citrus crop will be released in October 9.

The 1980/81 pack of canned fruit will be less than last season. However, total supply will be adequate to meet market needs because of substantially larger year end stocks. Wholesale and retail prices should stay firm because of increased processing and marketing costs, although there will probably be occasional promotional reductions during 1981/82. However, the sluggish economy may moderate price increases.

The projected smaller crops of both raisin-type grapes and prunes point to lower dried fruit production this season. Nevertheless, with a bigger carryover, total supplies should be adequate. The wholesale prices of dried prunes may be below last year.

The pack of frozen fruit and berries will likely be less than a year ago, particularly strawberries and tart cherries. As of August 1, total cold storage holdings were down 5 percent from a year earlier. As a result, wholesale prices will remain up.

Good supplies of summer fruit depressed f.o.b. prices of fresh Valencia oranges from California, but they are still

above a year earlier. Citrus prices will likely stay up until the new season gets underway in Florida.

Reduced Florida citrus crops, combined with a lower juice yield, brought about a smaller pack of most processed items this year. However, a sharply increased carryover and heavy imports made the total supply of frozen concentrated orange juice (FC0J) still slightly more than last season. Even with higher prices, movement of FC0J this season has been moderately ahead of last year. If shipments stay at the current pace, this ending stocks will be considerably less than last season's. Also, if next season's Florida orange crop is smaller, FC0J prices will likely remain firm.

Almond and walnut crops are forecast to hit a record this year. However, the demand for almonds doesn't look favorable because of expected record-large foreign production but walnut prospects may continue to be good. Grower prices for both almonds and walnuts are likely to be lower than last year.

GENERAL PRICE OUTLOOK

After the two consecutive monthly declines, the August index of prices received by growers for fresh and processing fruit advanced to 131.0 (1977=100), up 20 percent from July, with higher prices recorded for most fruit. The index is now 8.3 percent above a year ago. Because supplies of apples and citrus fruit will increase this fall, grower prices are expected to decline seasonally but are likely to be above a year ago.

With the sluggish economy and adequate supplies of summer fruit, the increase in retail prices of fresh fruit has been moderate. The July index of consumer prices for fresh fruit advanced to 292.1 (1967=100), up 4.7 percent from June but only 3.3 percent above a year earlier. Sharply lower prices of apples partially offset higher prices for oranges, bananas, and other fresh fruit. Retail prices are likely to fall seasonally when larger supplies of apples and fresh citrus become available this fall. However, retail prices are likely to remain moderately higher than a year ago, because marketing costs will continue to rise. For example, transportation costs for foods in July has increased 14.8 percent from a year ago.

Increased processing and marketing costs have also pushed wholesale prices for most processed fruit moderately above a year ago. Although packers occasionally offered promotional allowances for several kinds of canned fruit, the Bureau of Labor Statistics (BLS) index of wholesale prices for canned fruit in July, at 239.9, was still 2.7 percent above a year earlier. As a result of the Florida freeze, wholesale prices of FCOJ have been sharply higher. Because of adequate supplies, wholesale prices of dried and frozen fruit are up only moderately from a year ago. Costs of marketing and processing are expected to continue to rise. According to the Department of Agriculture, the Market Cost Index in July rose 11.3 percent from a year ago. Also, costs of tin cans rose

Table 1—Index of quarterly and annual prices received by growers for fresh and processing fruit

Year	1977=100				
	Annual	1st	2nd	3rd	4th
1977	100	88	93	98	123
1978	148	116	135	160	181
1979	144	134	145	155	142
1980	127	124	131	125	127
1981		118	128	[1]120	

[1]Two-month average.

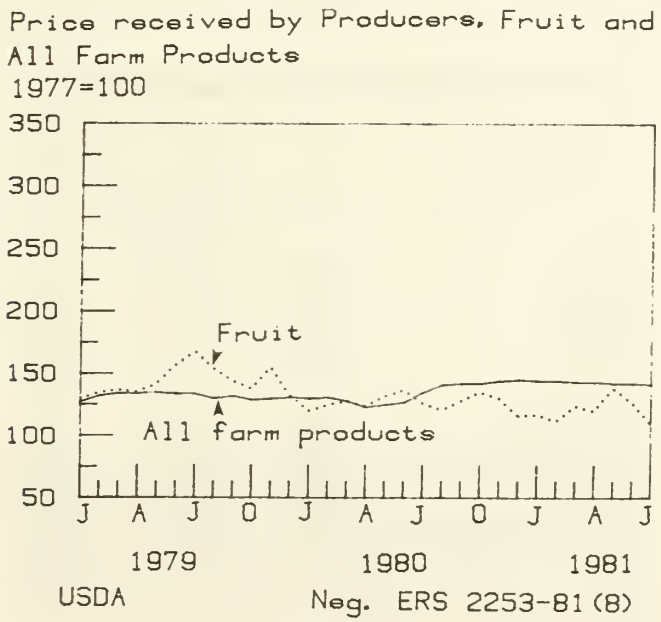
Source: Agricultural Prices, CRB, SRS.

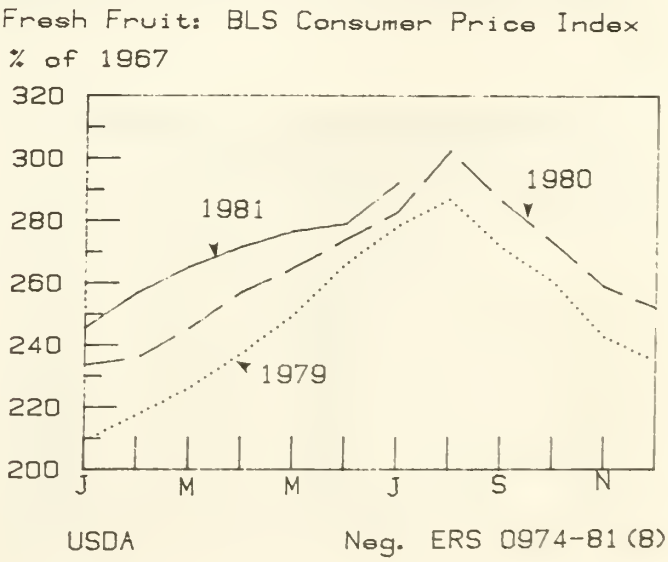
Table 2—Quarterly and annual consumer price indexes for fresh fruit

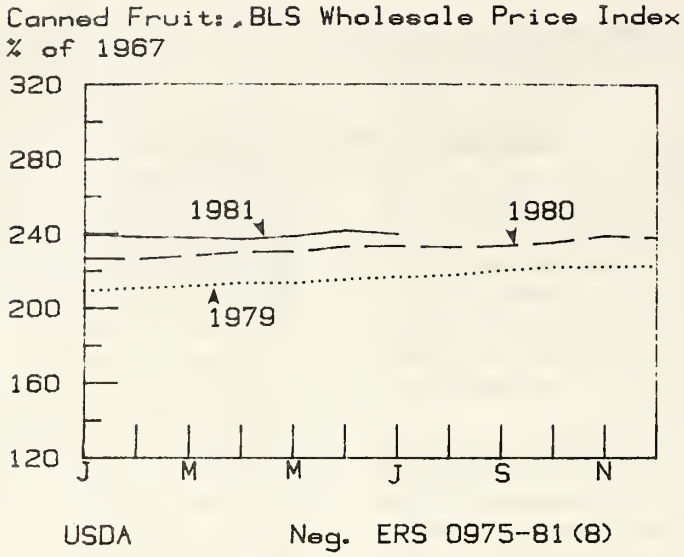
Year	1967=100				
	Annual	1st	2nd	3rd	4th
1977	185	172	190	193	185
1978	221	194	222	247	221
1979	248	218	251	279	246
1980	264	238	265	290	261
1981		256	276	[1]292	

[1]July's figure.

Source: Bureau of Labor Statistics, U.S. Department of Labor.







3.7 percent; glass containers, 13.7; and fuel and power, 18.4. Wages for workers in the food manufacturing industry continue to increase, up 8.7 percent.

Following higher wholesale prices, the BLS July index of retail prices for processed fruit continued to advance, rising to 143.1 from 142.0 in June and is now 13 percent higher than last year. With continually growing marketing costs, prices should remain firm.

NONCITRUS

The August forecast for this year's noncitrus production, including all major tree fruits and grapes—12.1 million tons—is 13 percent smaller than last year's large crop and 5 percent below 1979. Smaller output is forecast for all noncitrus fruit, except California plums and nectarines. The Mediterranean fruit fly infestation in California is not expected to affect supplies, if the spraying program is successful in confining the problem. Even with a smaller crop, supplies of most fruit will be adequate to meet market needs. The total noncitrus pack is likely to be smaller, but supplies of most processing fruit will still be large because of a substantially increased carryover. Higher processing and marketing costs are likely to keep prices relatively firm throughout the season.

Table 3—U.S. noncitrus fruit: Total production, 1979, 1980 and indicated 1981

Crop	1979	1980	1981
		1,000 tons	
Apples	4,071	4,414	4,039
Apricots	144	119	108
Cherries, sweet	182	172	134
Cherries, tart	85	109	72
Grapes	4,989	5,595	4,488
Nectarines	172	193	200
Peaches	1,476	1,537	1,458
Pears	855	894	852
Prunes and plums	664	821	714
Total	12,638	13,854	12,065

Source: Crop Production, CRB, SRS.

Apples

Smaller Crop Expected

Reversing the uptrend of the last several years, the August 1 forecast of the 1981 commercial apple crop, 8.08 billion pounds (3.66 million metric tons), is 8 percent smaller than last year's record but only 1 percent less than the 1979 crop. The production in the Eastern States is forecast at 2.78 billion pounds, 17 percent less

Table 4—Frozen fruit cold storage holdings

Commodity	July 31		
	1979	1980	1981
		1,000 pounds	
Apples	56,856	50,129	51,672
Apricots	15,111	11,726	11,619
Cherries	70,351	90,348	88,103
Grapes	4,811	5,568	2,774
Peaches	17,501	18,455	18,825
Blackberries	5,473	15,166	21,130
Blueberries	18,639	16,876	13,178
Boysenberries	3,416	5,793	6,142
Raspberries, Red	24,772	24,586	20,233
Strawberries	196,668	240,696	209,429
other fruits and berries	68,879	74,035	83,713
Total	482,477	553,378	562,818

Source: Cold Storage Reports, SRS.

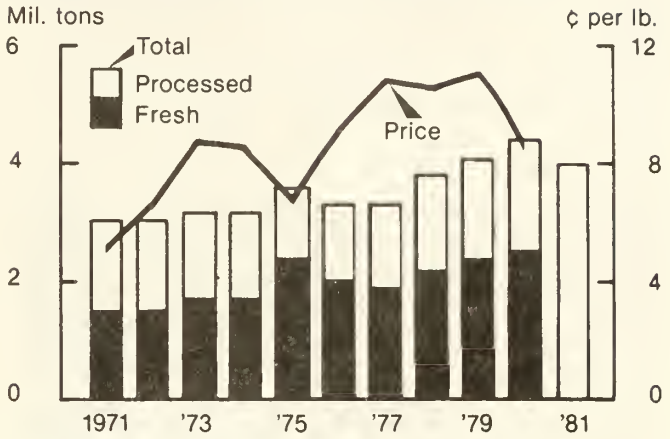
Table 5—Apples: Regional production, 1979,1980, and indicated 1981

Area	1979[1]	1980[1]	Indicated 1981
	Billion pounds		
East	3.28	3.37	2.78
Central States	1.18	1.44	1.17
West	3.68	4.02	4.13
Total U.S.	8.14	8.83	8.08

[1]Includes unharvested production and excess cullage (million pounds): United States: 1979 - 24.9, 1980 - 18.0

Source: Crop Production, CRB, SRS.

U.S. Apple Production Utilization and Prices



Total: Utilized production. Price: Growers season average price. 1981 indicated total production.

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than last year. The crop in the Central States is forecast at 1.17 billion pounds, down 19 percent from 1980. However, the Western States expect a crop of 4.13 billion pounds, 3 percent larger than last year, with most States sharing the increase. Washington, the leading apple-producing State, projects a record 3.05 billion pounds, 1 percent above last year's alltime high.

Production of all varieties is expected to be down, except Gravenstein, which is more than double last year's small crop, and Yellow Newtown, up 15 percent. The Delicious variety, at 3.2 billion pounds, is still the leader. Even with U.S. apple production down 8 percent from 1980, the Delicious variety made up 40 percent of the total commercial crop, almost the same as last year. 0ther leading varieties and their respective percentages of projected 1981 output are: Golden Delicious, 18; McIntosh, 7; Rome Beauty, 7; Jonathan, 5; and York Imperial, 4. These six leading varieties collectively account for about 81 percent of the forecast production.

Utilization of the 1980 Crop

Because of the heavy carryover of canned apple items at the beginning of 1980/81, processing utilization of apples increased only slightly, even with a record crop. Consequently, apple sales for fresh market rose 15 percent from a year earlier, and its share increased to 56 percent from 53 for the 1979 crop. 0f the total 3.8 billion pounds used for processing, apples for juice continued to increase in both absolute and relative terms. With 7 percent more apples used for juice, the share of processing apples used for this product increased from 51 percent in 1979 to 54 in 1980, reflecting continued good demand. Apples used for both freezing and other products—including vinegar, wine, jam, and fresh slices for pie filling—each registered a 23-percent jump. However, apples used for canning and drying showed decreases of 8 and 23 percent, respectively, from 1979.

Exports Strong; Imports Rise Sharply

With sharp increases from almost all major markets, fresh apple exports during 1980/81 (July-June) increased 29 percent from the previous year to 305,428 metric tons. Exports to the Far East and Mideast continue to show strength, accounting for almost half of the total. Smaller apple crops in Europe boosted U.S. exports to the Netherlands, the United Kingdom, and Sweden—more than doubled last year. France, the major apple-producing country in Europe, stepped up its imports of U.S. apples from 69 metric tons in 1979/80 to 630 metric tons in 1980/81. Hong Kong and Latin America continue to raise their shares. However, shipments to Canada were down sharply because of the larger crop in that country. For 1981/82, U.S. apple exports look favorable, because the 1981 crops in Canada and Europe are expected to the substantially reduced from last year.

During the first 6 months of 1981, U.S. imports of fresh apples, 56,042 metric tons, were up 16 percent from a year ago, with increases from almost all areas except South Africa. A sharp jump in imports from Canada was chiefly responsible. Imports from Canada accounted for 45 percent of the total, compared with 39 percent a year earlier. The larger 1980 apple crop and lower prices in Canada triggered imports from that country. Imports from Chile and New Zealand continued to show strength.

Market Outlook

The record crop and reduce processor demand have caused sharply lower prices for 1980 apple production. The U.S. season average price received by growers was 8.4 cents a pound, down from 10.9 the year before. Prices were lower for both fresh sales and processing use, with decreases of 23 and 29 percent, respectively.

Grower prices for fresh apples so far this summer have been substantially to sharply below a year earlier. In August, grower prices averaged 15.9 cents a pound, 30 percent below a year ago. However, prices are expected to strengthen this fall. A smaller crop and anticipated good foreign demand will be the principal contributing factors for higher prices of fresh apples. In addition, because of lower stocks of most processed apple products, processors will aggressively bid up prices in the Central and Eastern States. 0n the other hand, high interest rates

may weaken processor demand somewhat. The likely smaller citrus supplies could further strengthen apple prices, even with another record crop in Washington.

Avocados

Record Crop

U.S. production of avocados in 1980/81 totaled 281,000 tons, about 174 percent more than the 102,300 tons produced in 1979/80, primarily reflecting a huge crop from California. The crop was also larger in Florida. The California crop, at 250,000 tons, jumped 233 percent from the previous year's small output, and Florida production, 30,800 tons, increased 13 percent.

The huge output in California was not only attributed to larger bearing acreages but also reflected higher yield. California avocado bearing acreage has steadily increased to a record 47,800 acres in 1980/81, compared with 23,800 acres in 1974/75. Likewise, Florida bearing acreage also reached a record 9,100 acres in 1980/81, compared with 6,200 acres in 1974/75. Therefore, the normally strong pattern for both California and Florida avocados will continue in the years ahead.

Florida avocados for certified shipments during 1981/82 are estimated at 26,250 tons, 6 percent below 1980/81. The mid-January freeze that hit the early season varieties just before the bloom period is the principal reason for the shorter crop. These early-maturing varieties account for most of the new acreage set in recent years. The late-maturing varieties, which are normally harvested after Labor Day, are expected to produce a near-normal crop.

Because of lower production, shipments through July were 36,900 bushels, down sharply from a year ago. Consequently, f.o.b. prices for Florida avocados were considerably above a year ago—as of August 15, $5.69 a flat, size 8-16, greenskin varieties at Southern Florida, compared with $5.00 a year earlier. Prices may decline later on when the harvest of the late-maturing varieties gets underway after Labor Day.

As indicated in table 6, there are annual fluctuations in California avocado production as a result of the alternate-year bearing phenomenon. Current prospects for the 1981/82 crop are somewhat smaller than a year ago.

Table 6—Avocados: Acreage, production, yield per acre: 1974/75 - 1980/81 seasons

Season[1]	Acreage			Production	Yield per bearing acre
	Bearing	Non-bearing	Total		
	1,000 acres			*1,000 tons*	*Tons*
California:					
1974/75	23.8	10.9	34.7	105.5	4.43
1975/76	25.7	13.9	39.6	58.4	2.27
1976/77	29.0	14.7	43.7	120.0	4.13
1977/78	34.4	13.5	47.9	107.0	3.11
1978/79	40.0	11.3	51.1	123.0	3.08
1979/80	47.8	11.5	59.4	75.0	1.57
1980/81	51.5	—	—	250.0	4.85
Florida:					
1974/75	6.2	.9	7.1	21.9	3.53
1975/76	6.4	15.0	21.4	29.0	4.53
1976/77	6.9	14.0	20.9	21.1	3.06
1977/78	7.3	14.0	21.3	10.7	1.47
1978/79	7.7	1.8	9.5	23.1	3.00
1979/80	8.0	2.2	10.2	27.3	3.41
1980/81[2]	9.1	—	—	30.8	3.38

[1]Season for California November 1 - October 31; for Florida late June - February. [2]Preliminary.

Source: California and Florida Crop and Livestock Reporting Service.

Cherries

Sharply Smaller Sweet Cherry Crop

The final forecast for the 1981 U.S. sweet cherry crop is 134,000 tons (121,000 metric tons), down 22 percent from 1980 and 27 percent from 1979. Production is down in all States, except Utah, where an average crop is expected, and Montana, which had a very poor crop in 1980. The three Pacific Coast States are expected to harvest 97,000 tons, compared with 129,000 tons in 1980. Rains, during June, caused cherries to be lost in all three Pacific Coast States because of splitting. Total production in the three Great Lake States, at 27,800 tons, is 20 percent smaller than last year.

The harvest of sweet cherries for the fresh market has been virtually completed. Because of the smaller crop, fresh shipments were well below last year. In keeping with the very high prices for the early California crop, prices for sweet cherries have remained moderately to substantially higher throughout the season. The shipping-point price for Bing cherries, f.o.b. Yakima Valley, Washington, was quoted at $16 a 20-pound lug in late July, compared with $15 a year earlier.

With the sharply smaller crops from the three Pacific Coast States, the total pack of canned and brined sweet cherries will be down from last year. Michigan packers will also not match last year's output. Therefore, combined with a moderately smaller carryover, the total supply of canned sweet cherries is likely to be tight. Consequently, prices are expected to strengthen.

Tart Cherry Production Sharply Lower

The U.S. production of tart cherries was set at 144 million pounds (65,000 metric tons)—down 34 percent from last year and 16 percent below the 1979 crop. Output in the Great Lake States, at nearly 123 million pounds, is off by 38 percent from 1980 and 17 below 1979. The three Western States—Colordo, Oregon and Utah—expect tart cherry production to total 21.4 million pounds, up 7 percent from last year.

In Michigan, which produced 66 percent of the U.S. crop this year, processors paid 47 cents a pound for graded cherries in good condition. Through August 1, deliveries of tart cherries to processors, 94.7 million pounds, were running sharply behind last year's pace. The reduced delivery will particularly affect freezers. Because of the lower crop, the total for tart cherries used for processing is expected to be well below last year. In

addition, the cold storage holdings of frozen tart cherries at the beginning of August were 3 percent smaller than the heavy stocks a year ago. The total supply of processed cherries will be significantly less than last season. Thus, prices are likely to strengthen during the coming year from the current low level.

Grapes

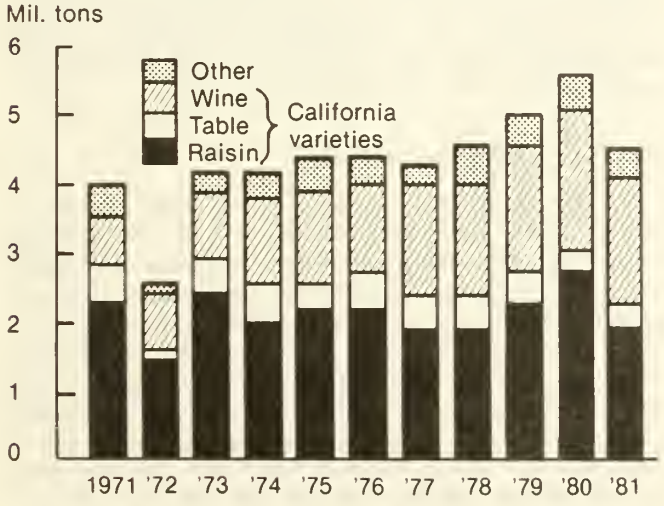
Sharply Smaller Crop

On August 1, the U.S. grape crop was estimated at 4.49 million tons (4.07 million metric tons), 20 percent less than last year's record crop and 10 percent below 1979.

California, accounting for 90 percent of the crop, expects to harvest 4.06 million tons, down 21 percent from the record 1980 crop with smaller crops reported for all three types. Prospects for table grapes, at 410,000 tons, are 4 percent less than last year. Berry size is smaller than normal, but sugar levels are high. The output of raisin-type grapes, at 1.90 million tons, is 29 percent below last year's production. Wine type grape production is forecast at 1.75 million, 13 percent smaller than 1980. Because of hot weather, sugar levels are coming up early. This is often an indication of a good quality crop.

Production in other States is expected to show a mixed pattern, but the total will be down 11 percent from last year. New York expects a 29-percent reduction in its crop—down to 125,000 tons. This is mostly the result of damage caused by severe winter weather. Washington State expects a 6-percent increase to 153,000 tons and replaces New York as the second largest qrape-producing State. With the rapid expansion of the grape industry in Washington, a large crop could be expected nearly every year, barring bad weather.

U.S. Grape Production



Total production. 1981 indicated production.

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Market Outlook

Because of early maturity, shipments of fresh table grapes were running well above last year's pace. Despite the smaller crop and generally good quality, opening f.o.b. prices at shipping points were generally below last year. Prices have further declined with increased volumes. In mid-August, f.o.b. prices for Thompson Seedless in the Kern District, California, were reported at $9.00 a 23-pound lug, compared with $12.00 a year ago. The use of table grapes for fresh market may be smaller this year, because the market for competing uses of multipurpose varieties, particularly Thompson Seedless, is expected to be active. Therefore, smaller supplies and competitive markets will likely strengthen prices for fresh grapes as the season progresses.

With smaller grape crops, particularly in New York, decreased crushing is expected. In California, the quantity of grapes crushed for wine during 1981 is also likely to decline, despite an indication of a good quality crop. However, because of larger inventories, supplies of California wine will be still ample. According to the Wine Institute, inventories of California wine stood at 495 million gallons as of April 1—12.7 percent above a year ago. Demand for wine continues good, with total California shipments through May up 4.2 percent from last year. Consequently, the BLS wholesale price index of wines has steadily increased to 234.6 in July. The index was moderately higher than a year earlier. With good demand and the reduced crushing, wine prices will remain firm.

A smaller raisin crop is expected this year. Although shipments were up moderately during 1980/81, the carryover into 1981/82 will still be larger because of the big 1980 crop. Nevertheless, the likely smaller 1981 crop will still cause a reduced supply this season. Currently, the price of California raisins for 1981 has not been established. Because not all raisin-type grapes are dried, the sharply smaller crop and good demand from wineries will likely bring about higher prices for raisin-type grapes. Wineries are likely to use more raisin-type grapes because of an expected decrease in the production of wine-type grapes.

Nectarines

Record Crop

The 1981 California nectarine crop is forecast at a record 200,000 tons (181,000 metric tons), 4 percent above last year. The increase is generally the result of an expansion in bearing acreage. The current estimate of 1981 bearing acreage for California nectarines is 20,870, up 14 percent from 1980. The continued larger crop can be expected in the years ahead.

Because of the later harvest, total shipments of fresh nectarines through mid-August are running well below last year's pace. Although f.o.b. prices at shipping points have fallen from high levels early in the season, they are still fairly good. In late August the shipping-point price of nectarines (sizes 56-64) was reported at $3.62 a 2-layer lug, in the central and southern San Joaquin Valley, Cal-

Table 7—Nectarines: Acreage, production, yield per acre: 1970 to date

Season	Acreage			Production	Yield per bearing acre
	Bearing	Non-bearing	Total		
	1,000 acres			*1,000 tons*	*Tons*
California:					
1970	7.8	5.2	13.0	66.5	8.53
1971	8.5	5.2	13.7	70.0	8.24
1972	9.9	4.9	14.8	87.0	8.79
1973	10.3	5.3	15.6	86.5	8.40
1974	10.9	5.4	16.3	115.0	10.55
1975	12.0	5.8	17.8	111.0	9.25
1976	13.2	6.4	19.6	128.0	9.70
1977	13.8	7.7	21.5	155.0	11.23
1978	14.7	8.9	23.6	148.0	10.07
1979	16.5	9.7	26.2	172.0	10.42
1980[1]	18.3	8.9	27.2	192.5	10.52

[1]Preliminary.

Source: California Crop and Livestock Reporting Service.

ifornia, compare with $4.95 a year ago. Prices are likely to strengthen, as supplies will decline seasonally.

Peaches

Moderately Smaller Production

Peach production is forecast at 2.92 billion pounds (1.32 million metric tons), 5 percent smaller than 1980. Excluding California clingstones, the crop is forecast at 1.6 billion pounds, 1 percent more than last year, mainly reflecting a larger output from the nine Southern States. The August 1 forecast for California's clingstone peaches, 1.32 billion pounds, is 12 percent below 1980.

In the nine Southern States, where most of the peaches were harvested, tonnage was estimated almost 18 percent larger than last year. The South Carolina crop, at 410 million pounds, accounting for 59 percent of the total tonnage from the nine Southern States, is 15 percent greater than last season. California's Freestone peaches, at 480 million pounds, is 2 percent above last year, but fruit size is smaller than normal. Prospective output in several of the States that grow a large amount of late peaches should be generally smaller than 1980. New Jersey, the fourth-ranking peach State, expects to harvest 90 million pounds, off 18 percent from 1980, while a crop of 35 million pounds is forecast in Michigan, 12 percent below last year. Both Pennsylvania and Washington expect sharply reduced crops this year.

Prices Generally Lower

Shipments of peaches to the fresh market are running substantially ahead of last year's pace, mainly reflecting larger movement from South Carolina. Because of bigger supplies, f.o.b. prices for fresh peaches from Georgia and South Carolina were considerably below a year ago. On the other hand, f.o.b. prices for California fresh peaches were generally higher early in the season but have now declined below a year ago. In late August, f.o.b. prices for fresh yellow peaches, sizes 56-64, U.S. No. 1 in the central and southern San Joaquin Valley, California, were quoted at $3.81 a 2-layer lug, compare with $4.65 a year ago. Prices are likely to strengthen late in the season when supplies of peaches from the late States will likely be light.

Adequate Supplies of Canned Peaches Expected

With California's smaller crop, the total pack of canned clingstone peaches is expected to be moderately smaller than last year. The stocks at the beginning of the new pack year were sharply above a year ago—6.6 million cases (24 2-1/2's), compared with 4.5 million last year. Thus, even with a smaller pack in prospect, the total supply of canned peaches should be adequate during 1981/82. Based on crop estimates, it is likely that the "base" price of clingstones for canning could be $170 a ton or higher, compared with $150 a year ago.

Even with occasional promotional allowances offered by packers, wholesale prices of canned peaches have generally been above a year ago. The July BLS wholesale price index for canned peaches increased to 275.7 (1967=100) a case (12-2-1/2's), up from 253.5 a year ago. With the continued increase in costs of marketing and processing—in addition to higher prices for raw materials—prices of canned peaches will remain up during the next season.

Because of the slow movement and the sharply larger carryover at the beginning of 1980/81, stocks of canned freestone peaches going into 1981/82 have been the biggest in the last several years. Most of the 1981 pack will be coming from the California crop, which is only slightly larger than a year ago. With smaller supplies of peaches for fresh market expected from some late States and larger stocks of canned peaches, more California freestone peaches could be marketed fresh. Consequently, the pack of canned freestone peaches is not likely to exceed last year's. But the total supply of canned freestone peaches will still likely be more than adequate to meet market needs. California's freestone peach processors have accepted the California Freestone Peach Association's offer of $127.50 a ton for Fay Elberta peaches, compared with $125.00 a year ago.

Canned Peach Exports Down

Exports of canned peaches during 1980/81 totaled 58,760 metric tons, down 4 percent from the previous season. Sharply reduced shipments to Europe and Japan were chiefly responsible. However, significantly increased exports to the Latin America partially offset the drop. Most European countries, particularly the Netherlands and Sweden, had considerably smaller purchases, while West Germany, our principal market in Europe, bought 8 percent more than a year ago. Canada, our largest customer, bought only fractionally less than the preceding year. However, exports of canned peaches took off to a fast start for 1981/82, with June exports up 48 percent from a year ago.

Pears

Crop Down Moderately

The August 1 forecast for the 1981 U.S. pear crop, at 852,000 tons (773,000 metric tons), was 5 percent less than last year. Bartlett tonnage in the three Pacific Coast States was forecast at 585,000 tons (531,000 metric tons), 4 percent below last year. Smaller crops from California and Washington more than offset increased output from Oregon. In this region, production other than Bartletts was estimated at 226,000 tons (205,000 metric tons), 7 percent smaller than last year. Reduced crops are expected for both Oregon and Washington, which are the principal suppliers of pears for the fresh market in winter and spring. Output from other Western States (Colorado and Utah) will be sharply larger than in 1980. Most of the remaining U.S. crop is centered in Michigan and New York, where production was reported to be moderately smaller.

Market Outlook

Opening f.o.b. prices for fresh Bartletts were sharply above a year ago, but have declined with increased volume. In late August, f.o.b. prices were $11.04 a standard box in Mendocino County, California, compared with $11.00 a year ago. Even with a smaller crop, prices are not expected to rise appreciably above last year's levels. Supplies of fresh Bartlett pears probably will be large, because demand from packers is not likely to be strong—a result of a larger carryover of canned pears. However, the expected smaller crop of winter pears in the Northwest is likely to keep prices firm late in the season. California growers and canners have agreed on a field price of $165 a ton for No. 1 grade Bartletts, compared with $172.50 a year ago.

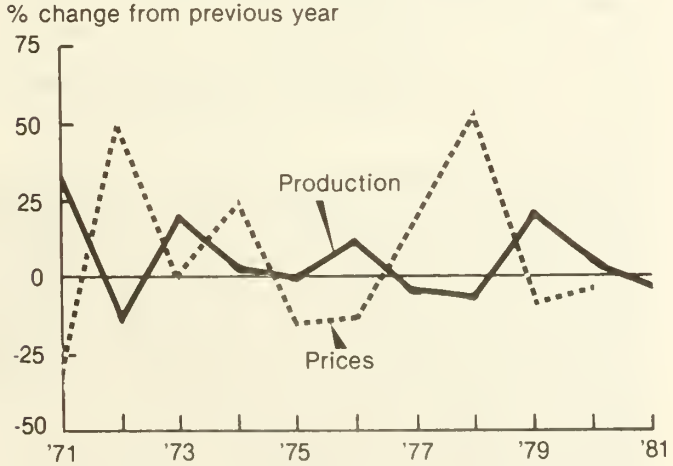
Although total shipments of canned pears showed a moderate rise from 1979/80, the carryover into 1981/82 is still 29 percent larger than last season. Therefore, even with a smaller pack in prospect, the total supply of canned pears will be adequate to meet market needs. However, prices of canned pears are not likely to decline, even with lower contract prices because costs of processing—such as tin cans, wages, and other materials—continue to rise. BLS wholesale prices of canned pears have been higher than a year earlier, and the July figure averaged 9 percent higher. However, occasional promotional allowances are likely to be offered by packers to stimulate sales during 1981/82.

Fresh Exports Up; Canned Down

During July 1980-June 1981, U.S. exports of fresh pears rose 12 percent, from 41,088 to 46,112 metric tons. Increased exports were reported for almost all markets. However, Canada, our largest customer, reduced its purchase by 20 percent, and its share also declined to 38 percent from 53 a year earlier. A 41-percent increase in shipments to Europe was mainly attributable to a sharply larger purchase by Sweden. Latin America bought a very large quantity of U.S. fresh pears, also up 41 percent. Exports to the Far East and Mideast continued to show strength, more than doubling last year's volume. Prospects for U.S. exports of fresh pears during 1981/82 look very bright because of the poor pear crops expected in Canada and Europe.

In contrast, U.S. exports of canned pears during June 1980-May 1981 total 2,599 metric tons, off 21 percent from the preceding year. Generally smaller shipments were reported for almost all areas. However, exports took off to a fast start this year, with a June increase of 137 percent from a year ago. Poor crops of deciduous fruit in Europe and Canada are likely to boost canned pear exports.

U.S. Pears: Changes in Production and Prices



Season average prices. Utilized production. 1981 indicated production.

USDA Neg. ERS 638-81(8)

Plums and Prunes

The California plum crop was forecast at a record 180,000 tons (163,000 metric tons), 13 percent above 1980. Quality was good in both early and midseason varieties. Even with a record crop, shipments were running only moderately ahead of last year's pace. Nevertheless, prices have been well below a year earlier. In late August, the shipping point price of Casselman plums for size 4 X 4 at the central and southern San Joaquin Valley, California, was reported at $5.00 a 28-pound lug carton, compared with $10.33 a year earlier.

The 1981 prune and plum crop in Idaho, Michigan, Oregon, and Washington was forecast at 69,000 tons (62,600 metric tons), down 10 percent from last year, but 11 percent larger than 1979. Prospects are down in Oregon and Washington, with decreases of 15 and 35 percent, respectively. Michigan expects a 44-percent increase in production to 18,000 tons. This is one of the best crops that the State has had in recent years, with excellent quality. The Idaho crop, at 8,000 tons, is the same as last year's and 7 percent above 1979. The opening f.o.b. price for fresh prunes in the Yakima Valley, Washington, was sharply higher than a year ago. Prices have declined with increased volume.

The 1981 production of California dried prunes is forecast at 155,000 tons (141,000 metric tons), 8 percent less than last year. Even with a smaller crop, the total supply for 1981/82 is likely to be slightly larger than a year earlier. Total shipments of dried prunes during 1980/81 amounted to 154,644 tons, an increase of 21 percent above the preceding season, with both domestic shipments and exports up 12 and 28 percent, respectively. Larger shipments were recorded for all continents. Nevertheless, the unshipped supply at the beginning of 1981/82 was still 66 percent above a year ago. The Prune Administrative Committee has recommended that 11 percent of the 1981 crop be set aside as a reserve. In addition, they recommended that the French variety prunes which will pass screen 23/32" French variety and the 28/32" (non-French variety) be placed in the reserve first, with the balance being made up of "across-the-board" production.

Because of sharply larger supplies, wholesale prices of dried prunes have been moderately lower than a year ago. The July BLS wholesale price index, at 266.5, was down 8 percent.

BERRIES

Blueberries

Record Crop

The U.S. blueberry crop is forecast at a record 106 million pounds (48,000 metric tons), 3 percent above 1980, with larger production recorded for all producing States except Washington. In Washington, frost damage occurred in early May, and extended cool, wet weather this spring hampered pollination and promoted blight problems. The Michigan crop, accounting for 40 percent of the total, is forecast at a record 42 million pounds, up 2 percent from last year. Also, the New Jersey crop, a record 27 million, is up 4 percent. Increases of 5 percent are expected for both North Carolina and Oregon.

Despite a record crop, prices have been above last year's levels. In mid-August, f.o.b. prices of blueberries at shipping points in Southwest Michigan were quoted at $8.00 a 12-pint flat, compare with $7.50 a year ago. Demand for fresh blueberries is good; the total unload of fresh blueberries through August 14 has been running moderately above last year's pace. Because cold storage holdings of frozen blueberries at the beginning of August were almost 22 percent below last year, more blueberries are likely to be delivered to freezers this season. In 1980, almost 56 percent of blueberries were processed. However, even with a record crop, total supplies of frozen blueberries are not likely to be significantly larger. Consequently, prices of frozen blueberries are likely to remain firm.

Cranberries

Slightly Smaller Crop

The first forecast of the 1981 U.S. cranberry crop is 2.62 million barrels (119,000 metric tons), down 3 percent from last year's record but 6 percent more than 1979. Early indication points to larger production for Oregon and Washington, while Massachusetts and Wisconsin expect decreased output. The crop in New Jersey will likely be the same as last year.

Most cranberries are used for processing. In 1980, almost 84 percent of U.S. cranberry output was processed. The entire crops from New Jersey and Washington were processed last year, with the exception of small quantities that processors paid for but were lost because of dehydration and berry breakdown after delivery. Because of good demand, prices received by growers averaged $32.90 a barrel at the first delivery point, up 23 percent from 1979. Prices for the 1981 crop have not been established yet. But with a small crop, prices are likely to rise from last year's levels.

Strawberries

Supplies Expected Down

The produced U.S. crop and much lower imports expected from Mexico will cause supplies of fresh strawberries to drop well below a year ago. This season's U.S. crop in major producing areas, at 606 million pounds, is down almost 7 percent from last year. Because of late planting and poor weather, production in Mexico will be down for the second consecutive year. Therefore, imports will be reduced. Imports of fresh strawberries from Mexico during the first 6 months of 1981 totaled 1,746 metric tons, down 56 percent from a year ago.

Because of larger stocks of frozen strawberries early in the season, more U.S. strawberries have been shipped for fresh sales. Consequently, grower prices for fresh strawberries did not reflect the smaller crop until July. The July price averaged 53.2 cents a pound, compared with 42.2 cents a year ago. Because fresh market shipments are virtually finished for the season in all States except California, strawberry prices are likely to continue to rise this fall.

Deliveries of strawberries to California freezers have declined seasonally, and by early August, shipments to freezers were well below a year ago. Grower prices for processing strawberries in California stood at 30 cents a pound (stemmed and delivered to the processing plant), compared with 27 cents a year ago. Processing is through for the season in the Pacific Northwest, with the total pack up in Oregon and down in Washington. Prices received by growers were generally higher than a year earlier. Therefore, combined with expected smaller imports from Mexico, the total supply of frozen strawberries during 1981/82 will be less than the previous season.

Table 8—Blueberries: Acreage, yield and production by State, 1979, 1980 and indicated 1981

State	Acres Harvested			Yield			Production		
	1979	1980	1981	1979	1980	1981	1979	1980[1]	1981
	- Acres -			- Pounds -			- 1,000 pounds -		
Maine	14,800	17,400	18,000	1.190	1,220	1,230	17,600	21,200	22,200
Michigan	9,500	9,400	9,600	3,790	4,360	4,380	36,000	41,000	42,000
New Jersey	7,800	8,100	8,000	3,000	3,210	3,380	23,400	26,000	27,000
North Carolina[2]	3,300	3,000	3,000	2,330	2,000	2,100	7,980	6,000	6,300
Oregon	500	550	580	5,800	5,820	5,790	2,900	3,200	3,360
Washington	800	800	800	5,990	6,670	6,200	5,002	5,335	4,960
United States	36,700	39,250	39,980	2,617	2,517	2,647	92,882	102,735	105,820

[1]Includes unharvested production and excess cullage (000 pounds): U.S. 465.
[2]Estimates for current year carried forward from earlier forecast.

Source: Noncitrus Fruit and Nut Annual, CRB, SRS and Washington Crop and Livestock Reporting Service.

The wholesale price of frozen strawberries has been steady for the last few months. The June wholesale price index, at 230.5, was 2.5 percent above a year ago. Prices are likely to rise in view of the projected smaller supply.

Table 9—Strawberry deliveries for freezing to August 8

State	1980	1981
	Million pounds	
California	128.6	105.0
Oregon	41.9	45.8
Washington	12.3	9.9
Total 3 States	182.8	160.7

Source: America Institute Food Distribution.

CITRUS

The final forecast of the 1980/81 citrus crop, at 15.0 million tons, is 9 percent below last season's record but 13 percent larger than 1978/79. Moderately to sharply smaller individual crops in Florida were chiefly responsible. Overall, smaller production was estimated for all citrus except lemons and limes, which were up 52 and 9 percent respectively, from last season. Consequently, on-tree returns for most citrus, particularly in Florida, have been substantially above a year earlier.

Oranges

Remaining Supplies of California Valencias Sharply Larger

Because of the late harvest, remaining supplies of California Valencias, as of August 13, were about 50 percent larger than a year earlier. Most of these oranges will provide the bulk of fresh market supplies until the next season gets underway this fall. Shipments to all outlets have declined with the largest decrease reported for domestic fresh sales. As of August 13, these sales made up 29 percent of the total crop, compared with 35 percent a year ago. Processing use was also down sharply, but its relative share of the total shipment was up substantially. Exports also have been lagging considerably behind last year's pace, and their market share also decreased to 26 percent from 29 percent a year ago.

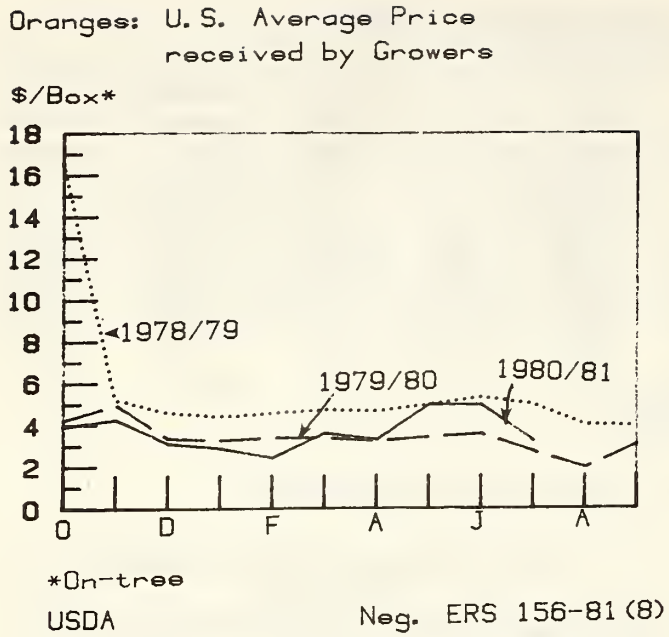
Sharply Higher Fresh Orange Prices

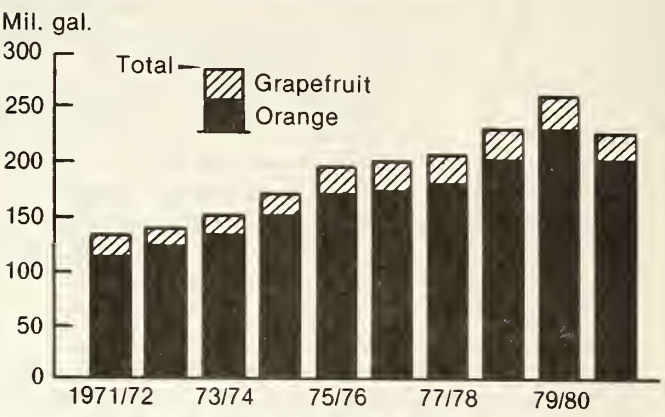
Increased Florida orange prices, resulting from the January freeze, coupled with a large proportion of small-sized California navel oranges, have caused substantially higher prices for all U.S. oranges destined for the fresh market. In August, U.S. on-tree returns for fresh market averaged $6.80 a box, compared with $2.89 a year ago. However, with a seasonal increase in supplies of fresh summer fruit, f.o.b. prices for California Valencias have weakend but were still well above last year. Although remaining supplies are considerably larger than a year ago, Valencia prices are likely to remain above a year earlier.

Following higher grower prices, retail prices of fresh oranges have been well above a year ago. The BLS Consumer Price Index (CPI-U) for fresh oranges in July was 327.8, rising 20 percent from last year. Even with large noncitrus supplies, retail prices are expected to remain up until the beginning of the next citrus season.

Exports and Imports Both Down

Reflecting a sharp decrease in shipments to Europe, U.S. exports of fresh oranges, including Temples, during November 1980-June 1981 totaled 305,381 metric tons, off 5 percent from a year ago. Because of the sluggish economy and the appreciation of the U.S. dollar, shipments of U.S. oranges to most countries in Europe—





particularly the Netherlands, the United Kingdom, France, and West Germany—fell dramatically. Canada, the largest customer for U.S. oranges, bought fractionally less. However, Hong Kong, the second largest customer, purchased 10 percent more. The U.S. export market in Japan continues to expand—up 4 percent from a year earlier—as a result of the liberalization of the import quota.

During the first 6 months of 1981, U.S. imports of fresh oranges totaled 6,387 metric tons, down 42 percent from a year ago. Purchases from Mexico, accounting for 87 percent of the total, dropped 48 percent. Imports from Israel and other countries, although relatively small, more than doubled from last year. A larger supply of fresh oranges from California was the principal reason for reduced imports.

Sharply Smaller Pack of Frozen Concentrated Orange Juice

The smaller orange crop, combined with a lower juice yield, caused a sharply reduced FC0J pack. Florida's pack of FC0J during 1980/81 totaled 174.5 million gallons (excluding reprocessed), down 25 percent from the preceding season. The FCOJ juice yield for all oranges in Florida for the 1980/81 crop is estimated at 1.21 gallons a box at 43.4 degrees brix equivalent, compared with 1.39 gallons for the 1979/80 crop. However, the sharply larger carryover and heavy imports—particularly from Brazil—have made the total supply still slightly larger than last season.

Even with higher prices, movement of Florida FCOJ this season has been relatively good. As of August 15, total movement amounted to 173 million gallons, up 6 percent from 1979/80. Consequently, stocks on hand, 118.8 million gallons, were down from 121.0 million a year ago. The current effective price, $4.25 per a dozen 6-ounce cans (f.o.b. Florida canneries), is down from a high of $4.45 but is still 52 percent higher than a year earlier. If movement continues at the present rate, the carryover will be considerably lower than last year, and prices should remain firm throughout the season.

Smaller Supplies of Chilled Orange Juice

Because of the smaller crop, Florida's output of chilled orange juice fell substantially through August 15, totaling 192 million gallons (excluding single-strengh reprocessed), down 10 percent from a year ago. The decrease was entirely caused by the sharply reduced tonnage of fresh oranges utilized. 0f this total, only 96 million gallons were processed from fresh oranges, down 29 percent from last season. The remaining quantity, about 96 million gallons, came from reconstituted bulk-frozen concentrate, up almost 22 percent from a year earlier. The total pack for the season will not match last season and will mark the first decline in the last several years.

Movement of chilled orange juice has shown the weakness, with decreases recorded for both exports and domestic markets. Even with a larger carryover and weak movement, the smaller pack has caused sharply lower stocks on hand as of August 15 than those a year earlier.

Smaller Supplies of Canned Orange Juice

The smaller carryover and the reduced pack have resulted in moderately lower supplies of canned orange juice. Through August 15, Florida citrus packers have processed 12.4 million cases of canned single-strength orange juice (24-2's), 7 percent less than a year ago. Because of the sharp rise in prices after the freeze, movement of canned orange juice has slackened. However, to stimulate sales, several Florida citrus packers have recently offered a promotional allowance to reduce f.o.b. prices to $9.25 a dozen 46-ounce cans (single-strength unsweetened)—down from $9.75. The promotion was effective July 20-August 7 with shipments by August 14. This compares with $8.00 a year ago and $7.25 to $7.35 before the freeze. Even with slow move-

ment, stocks on hand as of August 15 were still 5 percent below a year ago. Nevertheless, prices are expected to remain up.

Grapefruit

Larger Remaining Supplies

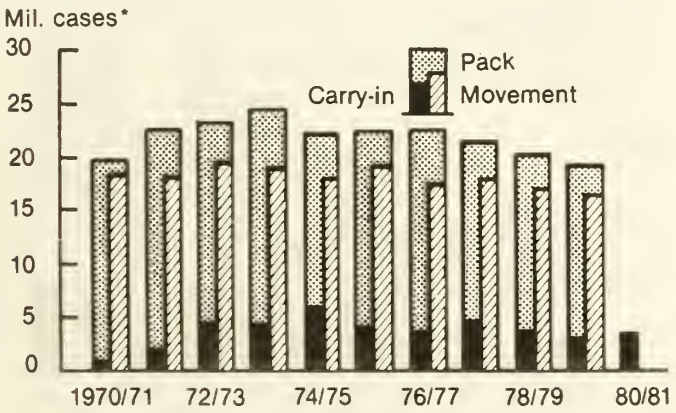
The final forecast for the 1980/81 U.S. grapefruit crop is 68.0 million boxes (2.51 million metric tons), 7 percent less than harvested production in 1979/80. Most grapefruit remaining for harvest are in southern California and are usually marketed fresh during the summer. Because of a moderately larger crop in California, supplies are expected to be adequate until the Florida harvest gets underway this fall.

The reduced supplies resulting from the Florida freeze have caused grapefruit prices considerably above a year ago. In August, on-tree returns for California grapefruit for the fresh market averaged $6.36 a box, compared with $5.32 a year earlier. Prices are expected to remain firm throughout the balance of the season, even with adequate supplies of noncitrus fruit.

Exports Up Substantially

Reflecting a strong demand from Japan, fresh grapefruit exports during the 10 months ending June 30, 1981 totaled 273,794 metric tons, up 11 percent from last year. Japan bought 52 percent of the total, compared with 42 percent a year ago. However, a fractional decrease in exports to Europe was reported, primarily reflecting sharply smaller purchases from West Germany and the United Kingdom. Good exports to France, Belgium-Luxemburg, and Sweden partially offset the reduction. Export potential still looks favorable, because European consumers have developed a preference for American pink grapefruit. Exports to Canada also showed a moderate decline. The depreciation of Canadian currency against the U.S. dollar probably caused the drop.

Florida Canned Grapefruit Juice Pack, Movement and Stocks



*24/2's. Season beginning October.
Source: Florida Citrus Processors Association

USDA Neg. ERS 131-81(8)

Grapefruit Juice Pack

Because of good demand, Florida citrus packers have processed more frozen concenrated grapefruit juice (FCGJ) this season than in 1979/80. So far, approximately 21 million gallons (excluding reprocessed) had been packed, up 7 percent from a year earlier. Despite higher prices, movement has been good. Through August 15, total movement amounted to 12.5 million gallons, 2 percent larger than a year ago. F.o.b. prices have been steady at $3.78 a dozen 6-ounce cans (unadvertised brands, Florida canneries), compared witn $3.35 a year earlier. Because of a much larger carryover, stocks on hand as of August 15 were 41 percent above those a year earlier. However, prices are not expected to weaken in light of good demand.

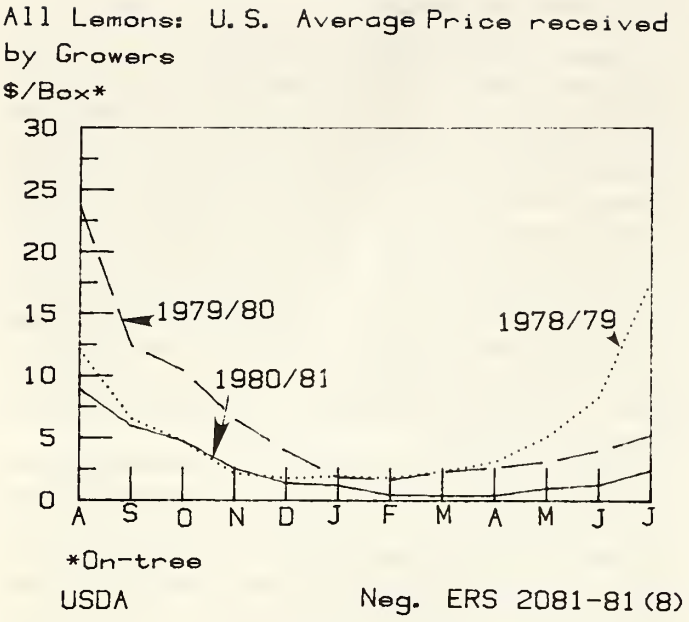
Florida's total pack of canned single-strength grapefruit juice amounted to 13.7 million cases (24-2's) during 1980/81, down 16 percent from last season. In response to higher prices, movement so far has been running moderately behind last season's pace. The selling price of canned single-strength grapefruit juice has been steady at $8.50 a dozen (46-ounce cans, unsweetened), compared with $8.00 a year ago. The smaller pack more than offset the larger carryin and slower movement—leaving stocks on hand as of August 15 substantially less than a year ago. Therefore, prices will stay relatively firm at least through the balance of the season, even with slow movement.

Florida packers have processed 22.9 million gallons of chilled grapefruit juice (excluding single-strength reprocessed) through August 15, down 10 percent from a year earlier. Higher prices caused movement to lag moderately behind last season. However, the smaller pack more than offets the smaller movement and the increased carryin—leaving the chilled grapefruit juice inventory moderately below a year ago.

Lemons

The California and Arizona lemon crop is estimated to total 31.5 million boxes (1.09 million metric tons), 52 percent more than in 1979/80. Harvest has finished earlier than last season. Because of sharply bigger crop, shipments to all outlets have shown substantial increases. Processing use more than doubled from last season's quantity, accounting for 65 percent of total sales, compared with 49 percent a year ago. Domestic sales of fresh lemons increased 11 percent, but these sales' share of the total crop fell to 20 percent from 28 percent in 1979/80.

Total exports of fresh lemons increased moderately from last season. During 1980/81 ending June, Japan, our principal customer, purchased 11 percent more than last season and accounted for more than half of all exports. Sharply larger shipments to the European Community (EC)—particularly for Belgium-Luxembourg and the Netherlands—also contributed to the increase. The bigger EC takings reflected reduced lemon supplies from Mediterranean countries. However, our sales to Canada were down moderately.



In response to seasonally reduced supplies, f.o.b. prices during the first 2 weeks of 1981/82, have strengthend to levels slightly above last year. The 1980/81 season average price for fresh lemons at the shipping point was $8.09 a carton, compared with $9.66 last year. Prices are likely to remain relatively firm until the supply of lemons from 1981/82 becomes increasingly available. The industry currently forecasts a crop that will be substantially smaller than 1980/81. The official USDA forecast will be released on October 9.

Limes

Larger Lime Crop

The 1981/82 Florida lime crop is forecast at 1.3 million boxes, 8 percent above the previous year. Lime production in Florida has trended upward, reflecting increases in both acreage and yield. Lime acreage reached a record 4,700 acres in 1979/80, although yield has fluctuated the last 20 years—from a low of 90 boxes in 1960/61 to a widely during high of 250 boxes in 1974/75.

Because of a larger crop, f.o.b. prices for fresh limes have been below a year ago. In late August, the f.o.b. price of Florida Persian Seedless limes was quoted at $2.00 a carton (10-pound, size 48-63), compared with $4.31 a year earlier. Prices are likely to remain down.

TREE NUTS

Almonds

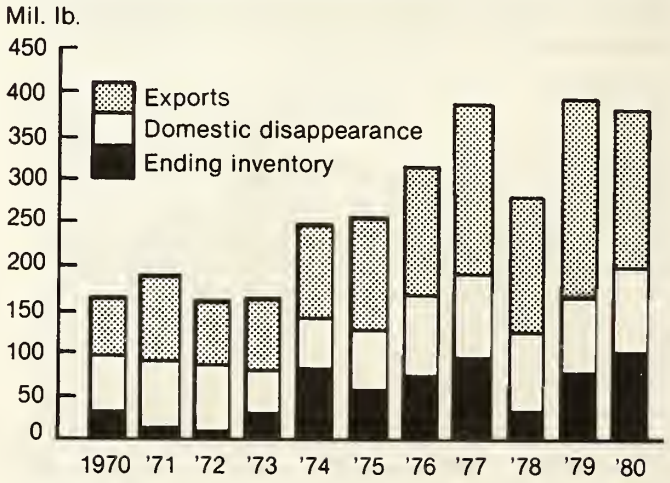
Look For A Record Crop

California almond production is forecast at a record 450 million pounds (204,000 metric tons), 40 percent larger than 1980 and 20 above the previous record in 1979. The larger crop is attributed to a greater nut set, larger expected kernel sizes, and more bearing acres. The almond-bearing acreage continued to increase from 324,878 acres in 1980 to the estimated 330,000 in 1981.

According to the Almond Board of California, shipments of almonds during 1980/81 (July-June) totaled 282.4 (shelled basis) million pounds, down 8 percent from a year ago. A decrease of 16 percent in shipments abroad more than offset a 14-percent increase in domestic sales. Consequently, exports accounted for only 66 percent of total sales, compared with 73 percent a year ago. Most major importing countries shared the decrease. Export prospects for 1981/82 do not look favorable because of the continued appreciation of the. U.S. dollar against the foreign currencies and larger crops expected from Spain and Italy. Shipments during July 1981 were down 15 percent from a year ago. However, sales could improve because the increased availability and lower prices may make almonds attractive in the export markets.

Because of the record world crop, the average price received by almond growers for the 1980 crop was $1.47 a pound, compared with a record $1.53 in 1979. Prices for the 1981 crop are expected to be less than 1980 in light of new record large world production and the sluggish economic conditions around the world. However, estab-

U.S. Almond Supply and Utilization



Season beginning July 1. 1980 preliminary.
Source: Almond Board of California.

USDA Neg. ERS 2188-81(8)

lishment of a 25 percent reserve by the Secretary of Agriculture under authority of the Marketing Order will moderate the effect of the record large supply.

Walnuts

Record California Walnut Crop Likely

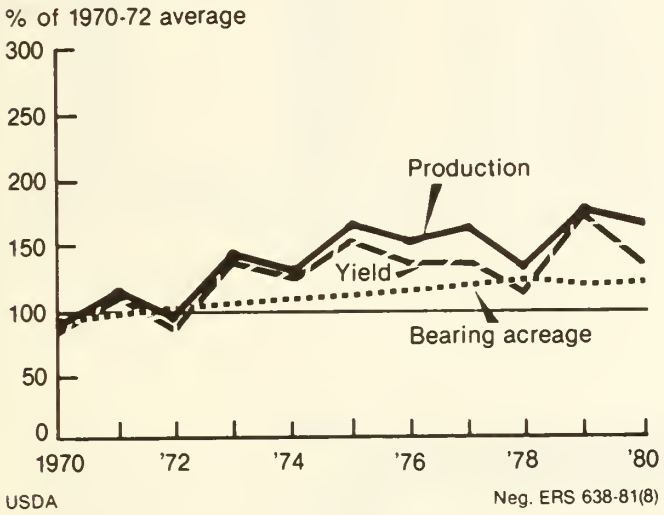
The 1981 California walnut production is forecast at a record 215,000 tons (195,000 metric tons), 9 percent above last year and 3 larger than the previous record 1979 crop. Generally the crop looks very good, with an excellent set and nut sizes.

Table 10—Tree nuts: Production, 1979, 1980 and indicated 1981

Crop and State	1979	1980	1981
		1,000 pounds	
Almonds: (Shelled) California	376,000	322,000	450,000
		Tons	
Walnuts, English: (In-shell) California	208,000	197,000	215,000

Source: Crop Production, SRS.

California Walnuts: Acreage, Production and Yield Per Acre



Shipments of walnuts were generally good during 1980/81. According to the Walnut Marketing Board, sales of inshell walnuts totaled 149.4 million pounds, up 8 percent from 1979/80, because larger exports more than offset smaller domestic shipments. Exports—accounting for 64 percent of total inshell sales—increased 14 percent, while domestic sales were down fractionally. Although shipments of shelled walnuts, mostly for domestic market, rose almost 6 percent; sales abroad were down 9 percent.

The smaller crop and good demand helped advance grower prices from $847 in 1979 to $926 last year. Prices for the new crop have not yet been established. However, with a larger crop in prospect, walnut prices are expected to average below 1980.

PER CAPITA TREE NUT CONSUMPTION

Per capita consumption of tree nuts in the United States fell to 1.72 pounds during 1979/80 from 1.75 the year before. The decrease was attributed to reduced consumption of most imported tree nuts and pecans. However, consumption of Macadamia nuts reached a new high—0.044 pound per person. Consumption of almonds and filberts also showed increases, while that of walnuts reached 1975/76's record high of 0.52. Detailed data regarding per capita tree nut consumption are presented in the following table.

Table 11—Tree nuts in cold storage, June 30

Kinds	1979	1980	1981
		Million pounds	
Almonds:			
In-shell	1.2	1.0	1.5
Nutmeats	30.8	42.8	61.7
Walnuts:			
In-shell	12.5	20.2	23.5
Nutmeats	14.6	21.3	17.2
Filberts:			
In-shell	.9	.8	1.6
Nutmeats	1.4	1.3	1.5
Pecans:			
In-shell	66.6	39.3	19.2
Nutmeats	32.5	27.7	22.4
Other tree nuts:			
In-shell	8.4	7.3	8.3
Nutmeats	10.2	12.4	9.4
Total:			
In-shell	89.6	68.6	54.1
Nutmeats	89.5	105.5	112.2

Source: Cold Storage Report, SRS.

Table 12—Tree nuts (shelled basis): Per capita consumption, crop year, 1960-80[1]

Crop year[2]	Almonds	Fiberts	Pecans	Walnuts	Macadamia	Other[3]	Total
1960	.30	.07	.36	.32	0.004	.52	1.57
1961	.28	.07	.44	.30	.006	.53	1.63
1962	.27	.05	.27	.32	.008	.56	1.48
1963	.27	.05	.45	.32	.010	.47	1.57
1964	.30	.05	.43	.41	.012	.56	1.76
1965	.31	.06	.52	.33	.013	.56	1.79
1966	.33	.07	.41	.37	.013	.54	1.73
1967	.30	.07	.40	.37	.012	.59	1.74
1968	.33	.07	.39	.33	.016	.68	1.82
1969	.30	.05	.42	.34	.015	.58	1.71
1970	.34	.06	.36	.38	.020	.60	1.76
1971	.37	.07	.38	.42	.021	.62	1.88
1972	.36	.07	.38	.39	.019	.72	1.94
1973	.26	.10	.36	.40	.017	.57	1.71
1974	.26	.05	.34	.43	.023	.45	1.55
1975	.35	.08	.33	.52	.025	.61	1.91
1976	.42	.08	.29	.52	.026	.56	1.89
1977	.45	.07	.31	.51	.027	.33	1.70
1978	.40	.08	.33	.39	.028	.47	1.70
1979	.37	.04	.41	.48	.036	.41	1.75
1980[4]	.42	.05	.36	.52	.044	.33	1.72

[1]Civilian consumption only. Beginning 1960, includes Alaska and Hawaii. [2]Beginning August of year indicated for fiberts and walnuts, July for all others. [3]Includes the following nuts; Brazil, pignolia, pistachios, chestnuts, cashews, and miscellaneous. [4]Preliminary.

Note: See September 1970 (TFS-176)Fruit Situation for data prior to 1950. 1970-1980 per capita consumption was revised due to the population revisions from the Bureau of Census.

Table 13—Noncitrus fruit and berries: Production and utilization, United States, crops of 1964-80

Year	Utilized production	Utilization of sales			
		Fresh		Processed[1]	
		Quantity	Percentage	Quantity	Percentage
	1,000 tons	*1,000 tons*	*Percent*	*1,000 tons*	*Percent*
1964	10,803	3,722	34.5	7,081	65.5
1965	11,059	3,669	33.2	7,390	66.8
1966	10,427	3,639	34.9	6,788	65.1
1967	8,863	3,220	36.3	5,643	63.7
1968	10,187	3,583	35.2	6,604	64.8
1969	11,433	3,877	33.9	7,556	66.1
1970	10,138	3,536	34.9	6,602	65.1
1971	10,795	3,591	33.3	7,204	66.7
1972	8,667	3,275	37.8	5,392	62.2
1973	11,205	3,561	31.8	7,644	68.2
1974	12,207	4,455	36.5	7,752	63.5
1975	12,660	4,922	38.9	7,738	61.1
1976	12,136	4,748	39.1	7,388	60.9
1977	12,605	4,746	37.7	7,859	62.3
1978	12,790	4,406	34.4	8,384	65.6
1979	14,021	4,589	32.7	9,432	67.3
1980[2]	15,503	5,272	34.0	10,231	66.0

[1]Proccessed includes cull and cannery diversion for clingstone peaches. [2]Preliminary.

Source: Noncitrus Fruits and Nuts Annual, SRS.

Table 14—Production and utilization of apples, avocados, and cranberries, United States, crops of 1976-80

Commodity and year	Production		Utilization						
				Processed (fresh equivalent)					
	Total	Utilized[1]	Fresh	Canned	Juice & cider	Frozen	Dried	Other[2]	Total processed[1]
				Thousand tons					
Apples:									
1976	3,236.1	3,233.5	1,957.9	460.0	554.6	110.2	114.7	36.2	1,275.6
1977	3,369.8	3,355.0	1,929.8	538.0	633.6	80.5	112.8	60.5	1,425.2
1978	3,798.5	3,772.0	2,105.2	612.1	747.3	103.7	110.5	93.2	1,666.8
1979	4,071.6	4,059.1	2,152.3	668.4	977.4	68.3	127.9	64.9	1,906.8
1980	4,414.2	4,405.2	2,481.1	613.2	1,048.5	83.8	98.9	79.9	1,924.2
Avocados:[3]									
1976/77	141.1	141.1	140.7	—	—	—	—	—	.4
1977/78	117.7	117.7	117.7	—	—	—	—	—	—
1978/79	146.1	146.1	146.1	—	—	—	—	—	—
1979/80	102.3	102.3	102.3	—	—	—	—	—	—
1980/81	280.8	280.8	280.8	—	—	—	—	—	—
Cranberries:[4]									
1976	120.4	120.4	20.4	—	—	—	—	—	87.8
1977	105.1	105.1	20.3	—	—	—	—	—	72.7
1978	122.9	122.9	20.2	—	—	—	—	—	95.9
1979	123.8	123.8	15.1	—	—	—	—	—	103.4
1980	134.9	134.9	16.3	—	—	—	—	—	113.0

[1]Some totals do not add due to rounding. [2]Apples: Includes vinegar, wine, jam, fresh slices for pie making, etc. [3]Includes some processing. [4]Utilized cranberries include shrinkage.

Source: Noncitrus Fruits and Nuts Midyear Supplement, SRS.

Table 15—Apples, commercial crop[1]: Total production and season average prices received by growers, 1979, 1980, and indicated 1981 production

State and area	Production			Price per pound	
	1979[2]	1980[2]	1981	1979	1980
	Million pounds			*Cents*	
Eastern States:					
Maine	86.0	85.0	78.0	14.6	14.0
New Hampshire	58.0	58.0	47.0	12.7	11.3
Vermont	49.0	50.0	38.0	12.1	15.4
Massachusetts	95.0	100.0	88.0	15.5	14.6
Rhode Island	5.0	5.5	5.5	13.2	15.1
Connecticut	45.0	42.0	42.0	14.7	15.2
New York	1,035.0	1,100.0	780.0	10.0	9.4
New Jersey	110.0	110.0	100.0	10.6	9.6
Pennsylvania	535.0	570.0	450.0	8.7	7.5
Delaware	13.0	13.5	13.5	9.4	8.7
Maryland	85.0	90.0	75.0	11.7	9.7
Virginia	470.0	420.0	420.0	8.5	7.8
West Virginia	260.0	245.0	220.0	8.2	7.8
North Carolina	362.0	410.0	350.0	7.2	6.7
South Carolina	35.0	32.0	36.0	13.8	11.3
Georgia	35.0	36.0	40.0	11.2	12.3
Total	3,278.0	3,367.0	2,783.0		
Central States:					
Ohio	105.0	170.0	100.0	15.7	14.7
Indiana	70.0	71.0	64.0	14.5	12.2
Illinois	110.0	101.0	102.0	12.4	12.1
Michigan	680.0	900.0	680.0	7.8	6.2
Wisconsin	54.0	65.0	57.0	13.8	13.5
Minnesota	15.0	23.0	21.0	18.0	17.1
Iowa	12.1	8.4	7.5	13.5	13.8
Missouri	70.0	56.0	63.0	13.1	12.0
Kansas	15.0	11.0	14.0	9.5	10.2
Kentucky	21.0	19.0	24.0	11.5	14.3
Tennesse	10.0	8.0	12.0	14.7	16.4
Arkansas	24.0	10.0	23.0	11.5	9.0
Total	1,186.1	1,442.4	1,167.5		
Western States:					
Idaho	125.0	150.0	120.0	15.0	13.0
Colorado	100.0	70.0	75.0	8.0	8.0
New Mexico	14.0	12.0	14.0	13.0	12.4
Utah	51.0	52.0	54.0	12.8	10.9
Washington	2,619.0	3,020.0	3,050.0	12.7	7.7
Oregon	170.0	195.0	195.0	11.0	7.6
California	600.0	520.0	620.0	10.1	7.0
Total	3,679.0	4,019.0	4,128.0		
United States	8,143.1	8,828.4	8,078.5	10.9	8.4

[1]In orchards of 100 or more bearing trees. [2]Includes unharvested production and exceeds cullage (million pounds): United States 1979-24.9, 1980-18.0.

Source: Production, CROP PRODUCTION and prices, NONCITRUS FRUITS & NUTS, Crop Reporting Board, SRS.

Table 16—Apples, commercial[1]: Production by varieties, United States, 1979, 1980, and 1981

Variety	1978	1979	1980
		Million pounds	
Cortland	145.4	158.2	115.7
Delicious	2,990.0	3,494.9	3,247.4
Golden Delicious	1,456.7	1,506.9	1,481.5
Gravenstein	74.0	43.0	86.0
Jonathan	426.5	436.0	386.4
McIntosh	683.7	792.7	567.4
Northern Spy	122.8	112.0	97.8
R.I. Greening	139.0	149.0	88.0
Rome Beauty	593.4	637.2	554.8
Stayman	234.3	253.0	231.0
Winesap	141.6	149.3	145.4
Yellow Newtown	219.0	158.0	181.0
York Imperial	354.2	349.6	314.2
Other	562.5	588.6	581.9
Total[1]	8,143.1	8,828.4	8,078.5

[1]Commerical crops refer to the total production of apples in orchards of 100 or more bearing trees. Data include quantities of mature fruit not harvested and excess cullage of harvested fruit not included in data in table 15.

Source: Commercial Apples, SRS.

Table 17—Processed apples: Season average price per ton received by growers, by type of use, principal States, 1978-80

Use and State	1978	1979	1980
		Dollars	
Canning:			
Michigan	124.00	134.00	102.00
New York	111.00	118.00	94.00
Pennsylvania	111.00	117.00	106.00
Virginia	93.30	110.00	96.00
Washington	164.00	132.00	71.00
West Virginia	105.00	108.00	103.00
United States	119.00	125.00	96.90
Juice and cider:			
California	143.00	155.00	69.00
Michigan	90.00	102.00	72.00
New York	86.60	82.00	76.00
Pennsylvania	88.00	91.00	64.00
Virginia	86.00	80.00	72.00
Washington	170.00	108.00	65.00
United States	110.00	103.00	71.10
Frozen:			
Michigan	128.00	130.00	106.00
New York	125.00	142.00	124.00
United States	126.00	133.00	112.00
Dried:			
California	156.00	165.00	94.00
New York	111.00	110.00	90.00
United States	154.00	135.00	73.20

Source: Noncitrus Fruits and Nuts Supplement, SRS.

Table 18—Apples, Yakima Valley, Washington: Monthly average prices per carton tray pack, extra fancy, f.o.b. shipping point, 1979/80 - 1980/81

Month	Red Delicious				Golden Delicious			
	Regular storage		C.A. storage		Regular storage		C.A. storage	
	1979/80	1980/81[2]	1979/80	1980/81[2]	1979/80	1980/81[2]	1979/80	1980/81[2]
				Dollars				
August	—	—	—	—	—	—	—	—
September	11.67	12.38	—	—	9.32	9.88	—	—
October	9.29	9.28	—	—	8.45	7.83	—	—
November	11.13	8.42	—	—	8.25	7.00	—	—
December	11.25	8.50	—	—	8.15	6.80	—	—
January	11.31	8.50	—	—	7.75	6.95	—	—
February	—	8.70	11.77	9.71	—	6.88	7.65	9.25
March	—	—	12.95	9.58	—	—	10.38	9.74
April	—	—	13.02	9.09	—	—	10.19	9.43
May	—	—	13.24	9.54	—	—	10.28	8.92
June	—	—	14.90	10.17	—	—	11.91	8.52
July	—	—	15.64	12.09	—	—	16.32	7.97

[1]Apples sizes 88's-113's. [2]Preliminary January through July 1981. C.A. = Control Atmosphere.

Source: Agricultural Marketing Service.

Table 19—Grapes: Total production and season average prices received by growers in principal States, 1979, 1980 and indicated 1981 production

State	Production[1]			Price per ton[3]	
	1979	1980	1981	1979	1980
	Tons			*Dollars*	
New York	165,000	175,000	125,000	236.00	217.00
Pennsylvania	55,500	56,000	56,000	218.00	167.00
Ohio	12,000	12,000	10,000	207.00	173.00
Michigan	58,500	49,500	50,000	237.00	250.00
Missouri	4,500	4,200	3,200	310.00	257.00
North Carolina	5,800	5,800	5,300	258.00	276.00
Georgia-South Carolina	5,200	4,500	5,400	295.00	388.00
Arkansas	8,200	6,600	8,100	161.00	170.00
Arizona	13,500	12,400	12,400	930.00	1,170.00
Washington	102,800	145,100	153,000	204.00	78.00
California:					
Wine	1,821,000	2,004,000	1,750,000	214.00	210.00
Table	417,000	428,000	410,000	310.00	410.00
Raisin	2,320,000	2,692,000	1,900,00	239.00	235.00
Dried[2]	302,300	309,000	—	1,151.00	1,198.00
Not dried	944,000	1,080,000	—	219.00	243.00
All	4,558,000	5,124,00	4,060,000	236.00	240.00
United States	4,989,000	5,595,100	4,488,400	237.00	239.00

[1]Includes unharvested production and excess cullage (tons): U.S. 1979—300, 1980-300. [2]Dried basis, 1 ton of raisins is equivalent to 4.55 tons of fresh grapes for 1979 and 5.22 tons for 1980. [3]Price derived from unrounded data for California all varieties and raisin varietles.

Source: Production, CROP PRODUCTION and prices, NONCITRUS FRUITS & NUTS, Crop Reporting Board, SRS.

Table 20—Peaches: Total production and season average prices received by growers 1979, 1980, and indicated 1981 production

State	Production			Price per pound[3]	
	1979[1]	1980[1]	1981	1979	1980
	Million pounds			*Cents*	
Southern States:					
North Carolina	50.0	45.0	35.0	16.3	12.8
South Carolina	350.0	355.0	410.0	13.9	17.6
Georgia	135.0	120.0	135.0	11.3	14.1
Alabama	20.0	14.0	20.0	18.5	22.5
Mississippi	3.0	2.5	5.5	20.0	24.5
Arkansas	36.0	28.0	40.0	13.8	13.5
Louisiana	7.0	4.0	7.0	23.0	32.0
Oklahoma	11.0	8.0	9.0	15.2	17.8
Texas	23.0	12.5	32.0	20.0	28.0
Total Southern States	635.0	589.0	693.5		
California:					
Clingstone[2]	1,400.0	1,495.0	1,320.0	8.9	9.4
Freestones	468.0	470.0	480.0	10.9	9.9
Total California	1,868.0	1,965.0	1,800.0		
Other States:					
Massachusetts	1.8	2.0	.8	32.0	30.0
Connecticut	2.5	2.8	.5	32.0	30.0
New York	6.7	13.0	9.0	22.2	23.5
New Jersey	95.0	110.0	90.0	16.9	20.8
Pennsylvania	80.0	105.0	65.0	14.7	14.5
Ohio	4.0	12.0	2.0	26.0	24.9
Indiana	4.2	8.0	7.0	22.0	25.0
Illinois	15.0	24.0	22.0	18.5	18.5
Michigan	35.0	40.0	35.0	19.4	19.2
Missouri	12.0	12.0	17.0	21.0	14.5
Kansas	5.0	6.5	5.0	25.0	20.0
Delaware	2.0	1.4	2.4	13.0	11.8
Maryland	22.0	19.0	17.0	14.3	13.3
Virginia	32.0	32.0	30.0	13.2	15.6
West Virginia	24.0	22.0	17.0	16.8	13.2
Kentucky	15.0	15.5	16.0	21.0	18.6
Tennessee	8.5	8.4	9.4	16.0	17.8
Idaho	10.5	13.0	12.0	15.0	12.5
Colorado	14.0	18.0	20.0	20.8	17.9
Utah	12.0	11.0	15.0	17.0	17.5
Washington	31.0	31.0	18.0	16.1	17.9
Oregon	16.0	13.0	12.0	19.2	22.3
Total Other States	448.2	519.6	422.1		
United States	2,951.2	3,073.6	2,915.6	11.6	12.4

[1]Includes unharvested production and excess cullage (million pounds): United States, excluding California clingstone, 1979-14.5, 1980-0.5. [2]California clingstone is over the scale tonnage and includes culls and cannery diversions (million pounds): 1979-90.0, 1980-113.0. [3]Season average price received by growers

Source: Crop Production and Noncitrus Fruit and Nuts Annual, CRB, SRS.

Table 21– Pears: Total production and season average prices received by growers by States and Pacific Coast, variety comparison, 1979, 1980 and indicated 1981 production

States	Production			Price per ton[1]	
	1979[2]	1980	1981	1979	1980
	Tons			Dollars	
Connecticut	1,500	1,500	1,650	450.00	470.00
New York	18,000	17,500	16,000	182.00	215.00
Pennsylvania	3,100	3,500	3,800	294.00	299.00
Michigan	9,000	10,000	9,000	198.00	223.00
Colorado	4,600	4,600	7,000	209.00	183.00
Utah	2,700	3,000	3,800	280.00	300.00
Washington	246,000	256,000	235,000	214.00	212.00
Oregon	205,000	200,000	205,000	202.00	189.00
California	364,800	397,700	371,000	197.00	184.00
United States	854,700	893,800	852,250	204.00	196.00
Pacific Coast:					
Washington:					
Bartlett	153,000	143,000	135,000	180.00	185.00
Other	93,000	113,000	100,000	269.00	246.00
Total	246,000	256,000	235,000	214.00	212.00
Oregon:					
Bartlett	85,000	80,000	90,000	172.00	170.00
Other	120,000	120,000	115,000	224.00	202.00
Total	205,000	200,000	205,000	202.00	189.00
California:					
Bartlett	355,000	387,000	360,000	197.00	185.00
Other	9,800	10,700	11,000	208.00	159.00
Total	364,800	397,700	371,000	197.00	184.00
3 States:					
Bartlett	593,000	610,000	585,000	189.00	183.00
Other	222,800	243,700	226,000	242.00	221.00
Total	815,800	853,700	811,000		

[1]All prices. [2]Includes unharvested production and excess cullage (tons); U.S. 1979-500.

Source: Production, CROP PRODUCTION, and prices NONCITRUS FRUITS & NUTS, Crop Reporting Board, SRS.

Table 22—Plums and prunes: Production and season average prices received by growers in principal States, 1979, 1980 and indicated 1981 production

Crop and State	Production			Price per ton[1]	
	1979	1980	1981	1979	1980
	Tons			Dollars	
Prunes and plums:[2]					
Michigan	14,000	12,500	18,000	207.00	208.00
Idaho	7,500	8,000	8,000	324.00	344.00
Washington	14,700	23,100	15,000	192.00	149.00
Oregon	26,000	33,000	28,000	184.00	151.00
Total 4 States	62,200	76,600	69,000	208.00	180.00
Dried prunes:[3]					
California	136,000	168,000	155,000	812.00	690.00
Plums:					
California	175,000	160,000	180,000	277.00	449.00
United States (fresh basis)	664,240	821,240	714,000		

[1]All prices. [2]Mostly prunes, however, estimates include small quantities of plums in all States. [3]Dry-fresh ratio is 3 to 1.

Source: Production, CROP PRODUCTION and prices, NONCITRUS FRUITS & NUTS, Crop Reporting Board, SRS.

Table 23—U.S. exports of selected noncitrus fruits, fresh and canned, by destinations, 1976/77 - 1980/81 season

Item and season[1]	Canada	Europe				Other	Total
		United Kindgom	Other EC[2]	Other	Total		
				Metric tons			
Fresh fruit:							
Apples:							
1976/77	54,488	1,438	811	7,695	9,944	55,631	120,063
1977/78	48,970	8,318	4,976	12,597	25,891	75,078	149,939
1978/79	49,082	6,164	1,728	10,265	18,158	76,035	143,275
1979/80	60,124	7,014	2,748	11,806	21,568	154,776	236,468
1980/81	39,468	14,352	6,134	18,296	38,782	227,178	305,428
Pears:							
1976/77	20,691	—	1,170	4,914	6,084	4,857	31,632
1977/78	14,172	696	2,529	8,586	11,811	9,760	36,292
1978/79	16,433	74	2,005	9,026	11,105	9,844	37,392
1979/80	21,829	33	991	6,334	7,358	11,901	41,088
1980/81	17,385	123	1,281	8,945	10,349	18,378	46,112
Canned fruit:							
Peaches:							
1976/77	21,207	53	10,985	4,612	15,650	15,208	51,885
1977/78	22,146	2,375	24,037	5,318	31,730	18,725	72,601
1978/79	20,276	2,052	12,089	6,527	20,668	24,216	65,160
1979/80	20,462	196	13,458	5,887	19,541	21,391	61,394
1980/81	20,176	382	10,693	3,884	14,959	23,625	58,760
Fruit cocktail:							
1976/77	17,837	814	2,977	7,664	11,455	9,303	38,595
1977/78	19,562	1,060	4,117	5,598	10,775	12,157	42,494
1978/79	17,419	457	4,530	7,414	12,401	13,435	43,255
1979/80	18,378	357	10,195	8,832	19,384	15,913	53,675
1980/81	17,567	268	8,949	7,051	16,268	17,900	51,735
Pineapple:							
1976/77	7,175	349	7,689	2,000	10,038	810	18,023
1977/78	6,772	608	7,381	950	8,939	1,343	17,054
1978/79	4,375	187	3,624	1,541	5,352	2,042	11,769
1979/80	6,028	121	2,395	670	3,186	2,087	11,301
1980/81	5,058	31	2,214	245	2,490	1,864	9,412
Cherries:[3]							
1976/77	1,013	28	3,271	26	3,325	705	5,043
1977/78	1,276	56	3,893	69	4,018	1,029	6,323
1978/79	1,284	99	4,815	108	5,022	2,044	8,350
1979/80	554	75	2,275	69	2,419	1,931	4,904
1980/81	822	107	5,384	99	5,590	1,685	8,097
Apricots:							
1976/77	317	12	195	53	260	530	1,107
1977/78	262	7	183	163	353	603	1,218
1978/79	381	23	1,057	80	1,160	657	2,198
1979/80	408	13	130	59	202	629	1,239
1980/81	220	18	76	81	175	654	1,049
Pears:							
1976/77	1,175	10	307	276	593	1,516	3,284
1977/78	1,496	5	1,220	401	1,626	1,301	4,423
1978/79	720	10	529	226	765	1,155	2,640
1979/80	832	9	366	209	584	1,880	3,296
1980/81	671	36	145	397	578	1,350	2,599

[1]Season beginning July 1 for fresh apples, pears, and canned cherries; June 1 for other canned items. [2]Belgium-Luxembourg, France, West Germany, Italy, Netherlands, Denmark and Ireland. [3]Excludes Maraschino cherries.

Source: Foreign Agricultural Service.

Table 24—Frozen concentrated citrus juices: Florida canners' stocks, packs, supplies, and movement, current season with comparisons

Item & season	Carryin	Pack		Supply		Movement		Stocks[1]
		To date[1]	Total season	To date[1]	Total season	To date[1]	Total season	
				1,000 gallons				
Grapefruit:								
1976/77	3,306	[2]12,313	[2]12,416	15,619	15,722	7,871	11,868	7,748
1977/78	3,854	[2]14,023	[2]14,047	17,877	17,901	9,362	13,665	8,515
1978/79	4,236	[2]14,443	[2]14,423	18,679	18,659	11,672	16,382	7,008
1979/80	2,278	[2]19,482	[2]19,575	21,760	21,853	12,246	16,976	9,514
1980/81	4,876	[2]21,070		25,939		12,532		13,407
Tangerines:								
1976/77	382	[3]947	[3]947	1,329	1,329	620	1,080	709
1977/78	249	[3]1,672	[3]1,672	1,960	1,960	1,336	1,498	624
1978/79	462	[3]1,384	[3]1,384	1,846	1,846	1,105	1,253	741
1979/80	593	[3]2,142	[3]2,142	2,735	2,735	1,500	1,851	1,235
1980/81	884	[3]1,199		2,083		1,455		628

[1]For the 1980/81 season, week ending August 15; 1979/80 August 16; 1978/79 August 18; 1977/78 August 19 and 1976/77 August 13. These respective dates include data through the 37th week of each season. [2]Includes receipts of Florida product from non-members and domestic receipts on non-Florida product. [3]Includes domestic receipts of non-Florida product.

Source: Florida Citrus Processors Association.

LIST OF TABLES

PREFACE

This is the second part of a three-part series describing Federal marketing orders for fruits and vegetables. Part I (see The *Fruit Situation*, July 1981) discussed how the program evolved, the present importance of marketing orders within the fruit and vegetable industries, and the types of provisions that are authorized and used in orders. This part deals with how orders are initiated, amended, terminated, and administered through the cooperation of industry committees and the U.S. Department of Agriculture.

ABSTRACT: Growers usually seek fruit and vegetable marketing orders and agreements to alleviate perceived marketing problems. Initiation involves formal rule-making procedures culminated by producer referenda and handler signup. Administration is through committees of growers, handlers, and public members who recommend regulations for approval by the Secretary of Agriculture.

KEYWORDS: Marketing orders, Marketing Agreements, Fruits, Vegetables

WHO RUNS MARKETING ORDERS?

Fruit and vegetable marketing orders represent an unusual form of regulations. They are approved and, to some extent, controlled by growers, but terms are binding on the handlers to whom these growers sell. Recommendations for regulatory policy are made to the Secretary of Agriculture by representatives of growers and handlers, with the advice of personnel from the Department of Agriculture (USDA). The Secretary of Agriculture has final authority in all decisions made under marketing orders.

Obtaining in Order

Initiating a marketing order is a lengthy process requiring active cooperation between commodity producers and handlers and the U.S. Department of Agriculture. Four stages are involved. The first stage is the drafting of a proposal by interested growers and handlers. This proposal is basically a plan or method designed to alleviate marketing problems. If requested, personnel from USDA's Agricultural Marketing Service (AMS) help prepare the proposal. Sometimes, a marketing cooperative serves as the unifying force in this stage, but cooperative involvement is not a necessary condition. The Secretary of Agriculture may propose an order independently, but this option has seldom been used.

The completed proposal, together with a public hearing request, is submitted to the Secretary of Agriculture, who must determine whether the issuance of an order would help accomplish the policy of the Agricultural Marketing Agreement Act (AMAA).[1] If the Secretary's determination is favorable, the second stage begins—public hearings within the production areas specified in the order proposal. An administrative law judge takes testimony from order proponents and opponents concerning the need for an order and the nature of the proposal. After the hearings, time is allowed for filing of briefs based on testimony presented at the hearings. In the next stage, the Administrator, of AMS decides whether an order would be appropriate based on evidence presented at the hearing and any briefs filed after a hearing. For a positive decision, three questions must be answered affirmatively: Is the proposed order needed? Is the proposal workable? Does the proposal meet legislative objectives and standards? A positive decision includes publication of recommended order provisions in the *Federal Register*.

Following a period for filing of exceptions, the Secretary issues a final decision stating the terms of the orders. This triggers the fourth stage—a producer referendum.

Votes in the producer referendum are tallied according to both number of producers and volume of production. The Secretary of Agriculture issues a marketing order that is binding on all handlers if two-thirds of the producers who vote or those producers representing two-thirds of the production covered in the referendum approve the order.[2]

At the same time as the referendum a marketing agreement, with terms identical to the order, is submitted to handlers for their signature. If handlers representing a simple majority of the crop volume sign the marketing agreement, the agreement may be binding on signatory handlers.[3] Without handler approval, the order

[1]While the Secretary of Agriculture is the final arbiter in all order decisionmaking, authority is nearly always delegated to the Administrator of the Agricultural Marketing Service or the Director of the Fruit and Vegetable Division, AMS.

[2]For California citrus, the necessary majority is three fourths. Bloc voting by Cooperatives is permitted; that is, a cooperative may cast a single vote representing all members and their volume.

may still be issued if the producer vote is favorable and if the Secretary determine that issuing the order is the only practical way of advancing the interests of producers under the Act.[4] In the case of fruit and vegetable orders presently in effect, most have accompanying marketing agreements. The exceptions are California grapefruit, tart cherries, Texas Valley tomatoes, spearmint oil, and hops.

The procedure for amending an existing order is similar to initiation. The Secretary of Agriculture determines if proposed amendments suggested by producers might also serve to meet legislative goals, or he may propose amendments independently. The last three stages of the process are the same for amendments as for new orders.

Terminating an Order

There are two ways in which an existing order can be terminated. The Secretary of Agriculture may unilaterally terminate an order if in his opinion, the order obstructs or does not support orderly marketing. The Secretary must terminate an order if a majority of the affected producers having at least 50 percent of the total volume favor termination.

The Secretary may not impose some types of order regulations if it is expected that the legislative objective will likely be exceeded—that is, if estimated prices exceed parity. However, once initiated, regulations may continue until the end of the current marketing year even though prices exceed parity.

Orders may become inactive rather than terminated. In an inactive status, no regulations are issued under an order, but the order remains "on the books." For example, an order permitting regulations of grade, size, pack, and container specifications for Maine potatoes has been inactive for many years. But the authority to regulate still exists and may be exercised at any time.

Administering the Order

Orders are administered by committees comprised of growers or growers and handlers, and sometimes, public members. The major responsibility of these committees is to recommend regulatory policy to the Secretary of Agriculture, who is ultimately responsible for issuing regulations under the orders.

The administrative process starts before the start of the active marketing season. Committees meet to develop a marketing policy for the upcoming season. This takes the form of a statement submitted to the Secretary of Agriculture, along with recommendations for regulations. The formal statement is essentially a discussion of factors likely to affect the marketing of the new crop. While different for each order, these factors usually include such things as expected crop size, supplies of competing products and of the same commodity from outside production area covered by the order, consumer demand, and general economic conditions.

Next the committees' recommendations concerning regulatory action are forwarded to the Fruit Vegetable Division, AMS, for review and evaluation. Proposed regulations are subsequently published by AMS in the *Federal Register*. Following a comment period and a review of any comments received, final regulations are issued.

For those marketing orders that use seasonal controls, administrative committees may meet periodically to review marketing conditions and recommend changes in regulations. For orders employing intraseasonal controls, such as shipment prorates, committees are more active, some meeting once a week or even more to discuss conditions and make recommendations. All administrative committee meetings are open to the public.

Committee members are nominated by industry participants and are appointed by the Secretary of Agriculture. Nomination procedures, specified in the order, are designed to promote equitable representation among industry segments. Sometimes geographical districts are specified, with nominations related to the amount of production. Where cooperatives are important, a certain number of producer or handler memberships may be assigned to cooperative affiliates and cooperatives.

"Public" members of administrative committees—those not from industry—are nominated by other committee members and are appointed by the Secretary of Agriculture. The inclusion of public representatives is a fairly recent innovation. Many orders have been amended over the last 5 years to mandate or permit inclusion of a public member. The public representatives is occasionally a university staff member or someone familiar with the industry having no financial interest in the program.

Committee members are unsalaried but are reimbursed for costs of attending committee meetings. Per-unit (ton, pound, box, etc.) asssesments on handlers pay for these expenses and other administrative costs.

The composition of administrative committes is summarized in table 1. Committee size ranges from six (Colorado Potatoes) to 47 (Raisins) members with a midian size of 11. Some orders have more than one committee involvd in administration. The California tree-fruit order has a federated committee structure, with committees for individual commodities sending members to a central committee. The committee for the Colorado potato order is similarly structured, with three area committees. In the raisin order, an Executive Operations Committee serves as a separate body to facilitate timely decision making in certain matters. The hop order, which is not accompanied by a marketing agreement, names a handler advisory committee to assist the grower administrative committee. Finally, the Florida Interior grapefruit order does not specifically nominate members. Membership consists of grapefruit growers and shippers who are members of the order committee for Florida citrus (order 905) and who reside and do business in the Interior District.

[3]For California citrus, the applicable volume is 80 percent of total.

[4]Exceptions to this override provision are grapefruit, cherries, apples, and cranberries—all for canning and freezing.

There is little relationship between the geographical scope of orders and the number of members. The order for raisins, which are grown in an area around Fresno County California, has 47 members. The order for cranberries, grown in a 10-State area spanning the nation, has only seven.

The median producer membership of all committees is seven; the median handler membership is four. Producers hold a majority on all but seven committees. In these seven, producers and handlers are equally represented. One order, Florida celery, does not indicate identity; members may be either producers or handlers except that at least five must be producers. Six committees have no handler members. In two of these, there is no companion marketing agreement. But, conversely, three orders without agreements have handlers on administrative committees.

Orders with provision for public members on administrative committees differ according to whether public membership is permitted or required. Twelve orders mandate a public member; four indicate a public member may be included. The four newest orders, initiated in 1979 and 1980, require a public member. Several orders also authorize consumer consultants to the committees.

Seventeen orders specify some methods of allocating committee memberships among cooperative and independent producers and handlers. In some case, this allocation procedure also distinguishes between "major" and other cooperatives. The cranberry committee is the only one that permits a single cooperative to have a majority of industry memberships—four of seven. But the cranberry order requires six concurring votes to pass any resolution. In some others, a single cooperative may possess a majority of voters, depending on relative volume (e.g., almonds, walnuts, dried prunes). However, other orders specifically deny a single cooperative majority representation on committee. For example, Sunkist and Sunkist-affiliated growers may have no more than half of the membership of administrative committees for the California-Arizona orange and lemon orders, even though the large cooperative handle more than half of the affected commodities.

Summary

Fruit and vegetable marketing ordes are initiated, amended, terminated, and administered by affected growers and handlers, with the USDA serving in an "advise and consent" capacity. Administrative committees, consisting of producer, handler, and public representatives, provide regulatory recommendations for the approval of the Secretary of Agriculture. These committees employ various means to ensure equitable representation of industry participants affected by the orders.

The third and final part of this series, will deal with some of the controversial aspects of orders. It will explore the potential market power producers have through the orders and the constraints on use of this power.

Explanatory Notes to Table 1

1. Cooperative producer and handler representation is determined by share of previous year's total production in the order area produced by cooperative members and handled by cooperatives. If this share is less than 37.5%, producers (handlers) are assigned one member; 37.5 - 62.5%, two members; and more than 62.5%, three members.
2. Minimum cooperative representation in the case of both growers and handlers.
3. Any single cooperative with more than 50 percent of the total volume of order-area production in the preceding marketing year is entitled to three grower members and two handlers members. All other cooperative marketing associations combined are entitled to one grower membe and one handler member.
4. Any single cooperative with more than 60 percent of total volume is entitled to four grower members and two handler members in the following marketing year. All other cooperatives combined are entitled to one grower and one handler member. Membership may be reapportioned among three designated districts and the three marketing groups (dominant cooperative, other cooperatives, independent handlers) provided each district has at least one grower member and no more than four, and each marketing group has at least one handler representative.
5. Cooperative handler representation is determined by relative share of the previous year's order production handled according to the folloing formula:

Share of order production handled by cooperatives	Number Cooperative handler members
Less than 25 percent	1
25 - 41.99 "	2
42 - 57.99 "	3
58 - 75 "	4
more than 75 "	5

6. Cooperative grower representative is a minimum of 2 and a maximum of 5 while cooperative handler representative is a minumum of 2 and a maximum of 4 with nominatives based on handlers' voter weighted by volume of shipments.
7. Grower member of the Control Committee are selected from the individual commodity committees on the basis of the relative volume of the individual fruits, with each commodity committee providing at least one member.
8. Committee composition is specified as five producers, three cooperative association handlers, and one member who may be either a producer or a handler other than a cooperative.

9. Committee has five producer members, five handler members, and one member who may be either a producer or handler.

10. No grower organization shall be permitted to have more than three members on the committee, and no handler organization more than one member.

11. Any cooperative with more than 1/3 of total volume handled in the previous year may nominate four or more members, with four cooperative members ultimately selected.

12. If cooperative handlers market less than 35 percent of the previous year's total receipts, they are entltled to three members; from 36 to 65 percent, four members; and 65 percent or more, five members.

13. Colorado Potato Committee membership is two members from each of three area committees.

14. Addition of a public member proposed at May 13, 1981, amendment hearing.

15. Committee members may be either producers or handlers. Five groups are defined; ten members are selected from three geographical groups, three from producers marketing through the largest handler, and two from producers marketing through the second largest handler.

16. Cooperative and independent handlers are each assigned two committee memberships, with the fifth assigned to the group receiving the majority of almond deliveries in the previous year. The five producer memberships are allocated between producers affiliated with cooperative and independent handlers in the same fashion.

17. Cooperative and independent handlers are each assigned one committee membership with the third assigned to the group receiving the majority of filbert deliveries in the previous year. The five producer memberships are allocated between producers affiliated with cooperative and independent handlers in the same fashion.

18. Producers affiliated with cooperative and independent handlers are each assigned two committee memberships, with the fifth assigned to the cooperative or independent producer group marketing a majority of the previous year's total deliveries.

19. Designation for "handlers" is "producer-handlers."

20. The designated cooperative membership is for all cooperatives handling more than 10 percent of previous year's raisin acquisitions. Raisin dehydrators are assigned a membeship separate from handlers. One member is assigned to the "cooperative bargaining association." Producer memberships are assigned by geographical district without regard to cooperative or independent handler affiliation.

21. The Executive Operation Committee is a separate committee under the order with memberships assigned in a fashion similar to the Raisin Administrative Committee.

22. Cooperative and independent handlers are each assigned three committee memberships, with the seventh assigned to the group receiving the majority of prune deliveries in the previous year. Producer memberships are assigned according to the proportion of the previous year's total prune production marketed by producers affiliated with cooperative and independent handlers.

Table 1.--Composition of Federal Marketing Order Administrative Committees for Fruits and Vegetables

Order 1/	Committee Composition				Cooperative Representation 2/		Explanatory note
	Growers	Handlers	Non-Industry	Total	Growers	Handlers	
Citrus Fruits:							
904 - California Grapefruit 3/	4	4	1	9	1-3	1-3	1
905 - Florida Citrus	8-9	8	0-1	16-18	3	3	2
906 - Texas Oranges and Grapefruit	9	6	0	15	2	1	
907 - Calif.-Az. Navel Oranges	6	4	1	11	4	3	3
908 - Calif.-Az. Valencia Oranges	6	4	1	11	4	3	3
910 - Calif.-Az. Lemons	8	4	1	13	5	3	4
911 - Florida Limes	5	4	0-1	9-10	--	--	
912 - Indian River Grapefruit	6	6	0	12	3	1-5	5
913 - Florida Interior Grapefruit	6-7	6	0-1	12-14	2-5	2-4	6
Noncitrus Fruits:							
915 - Florida Avocados	5	4	0-1	9-10	--	--	

Table 1.--Composition of Federal Marketing Order Administrative Committees for Fruits and Vegetables 2

Order 1/	Committee Composition				Cooperative Representation 2/		Explanatory note
	Growers	Handlers	Non-Industry	Total	Growers	Handlers	
Noncitrus Fruits (Con't).:							
916 - Calif. Nectarines	8	0	0	8	--	--	
917 - Calif. Pears, Plums and Peaches							
Central Committee	13	12	0	25	--	--	7
Pear Commodity Committee	13	0	0-1	13-14	--	--	
Peach Commodity Committee	13	0	0-1	13-14	--	--	
Plum Commodity Committee	12	0	0-1	12-13	--	--	
918 - Georgia Peaches	8	0	1	9	--	--	
919 - Colorado Peaches	5-6	3-4	0	9	--	3	8
921 - Washington Peaches	8	4	0	12	--	--	
922 - Washington Apricots	8	4	0	12	--	--	
923 - Washington Sweet Cherries	10	5	0	15	--	--	
924 - Washington-Oregon Prunes	6	3	0	9	--	--	
925 - California Desert Grapes	5-6	5-6	1	12	--	--	9
926 - Tokay Grapes	7	0	0	7	--	--	
927 - Pacific Coast Winter Pears	6	6	0	12	--	--	

Table 1.--Composition of Federal Marketing Order Administrative Committees for Fruits and Vegetables 3

Order 1/	Committee Composition				Cooperative Representation 2/		Explanatory note
	Growers	Handlers	Non-Industry	Total	Growers	Handlers	
Noncitrus Fruits (Con't.):							
928 - Hawaii Papayas	10	3	0	13	--	--	10
929 - Cranberries	7	0	0-1	7-8	4	--	11
930 - Tart Cherries 3/	6	6	0	12	--	--	
931 - Wash.-Ore. Bartlett Pears	8	6	0	14	--	--	
932 - California Olives	8	8	0	16	--	3-5	12
Vegetables:							
945 - Ida.-E. Ore. Potatoes	5	3	0	8	--	--	
946 - Wash. Potatoes	10	5	0	15	--	--	
947 - Ore.-N. California Potatoes	9	5	0	14	--	--	
948 - Colorado Potatoes:							
Colorado Potato Committee	3	3	0	6	--	1-2	13
Area No. 1	4	3	0	7	--	1	

Table 1.--Composition of Federal Marketing Order Administrative Committees for Fruits and Vegetables 4

Order 1/	Committee Composition				Cooperative Representation 2/		Explanatory note
	Growers	Handlers	Non-Industry	Total	Growers	Handlers	
Vegetables (Con't):							
Area No. 2	7	5	0	12	--	2	
Area No. 3	5	4	0	9	--	--	
950 - Maine Potatoes	15	5	0	20	--	--	
953 - Va.-N.C. Potatoes	7	5	0	12	--	--	
958 - Ida.-Ore. Onions	6	4	0	10	--	--	14
959 - So. Texas Onions	10	7	0	17	--	--	
965 - Texas Valley Tomatoes 3/	6	3	1	10	--	--	
966 - Florida Tomatoes	12	0	0	12	--	--	
967 - Florida Celery	15		1	16			15
971 - So. Texas Lettuce	7	4	1	12	--	--	
979 - So. Texas Melons	6	3	1	10	--	--	
Specialty Crops:							
981 - Calif. Almonds	5	5	0	10	2-3	2-3	16
982 - Ore.-Wash. Filberts	5	3	1	9	2-3	1-2	17

Table 1.--Composition of Federal Marketing Order Administrative Committees for Fruits and Vegetables 5

Order 1/	Committee Composition				Cooperative Representation 2/		Explanatory note
	Growers	Handlers	Non-Industry	Total	Growers	Handlers	
Specialty Crops (Con't):							
984 - Calif. Walnuts	5	4	1	10	2-3	2	18
985 - Far West Spearmint Oil 3/	7	0	1	8	--	--	
987 - Dates	3	6	0	9	--	--	19
989 - Raisins							
Raisin Administrative Committee	35	9	1	47	--	1	20
Executive Operations Committee	8	5	0	15	--	1	20, 21
991 - Hops 3/							
Hop Administrative Committee	13	0	0	13	2-8	--	
Hop Marketing Advisory Board	0	5	0	5	--	--	
933 - Dried Prunes	14	7	0	21	0-14	3-4	22

Table 1.--Composition of Federal Marketing Order Administrative Committees for Fruits and Vegetables 6

Source: U.S. Code of Federal Regulations, 1980 and Federal Register. Information reflects status as of January 1, 1981.

1/ Order number indicates Code of Federal Regulation (CRF) reference; e.g., Order 904 is codified as 7CFR904.

2/ The number in these columns indicate specific designation of committee memberships to cooperative handlers or producer-members of cooperative handlers. Dashes (--) indicate no specification of affiliation; committee members may or may not be cooperative handlers or producer-members of cooperatives.

3/ Order only; no accompanying marketing agreement.

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